Daily Report

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Warsaw Pact Disarmament Commission Meets 9 Oct

LD0910102190 Prague Domestic Service in Czech 1000 GMT 9 Oct 90

[Text] A session of the Warsaw Pact Special Commission for disarmament started in Prague today. For the first time, the former GDR is not taking part. In the course of a two-day session, delegations should set the maximum national levels of arms and equipment.

Agreement on Tanks 'Still Not Reached'

LD1010163890 Prague Domestic Service in Slovak 1600 GMT 10 Oct 90

[Text] The participants in the third session of the special Warsaw Pact commission for disarmament taking place in Prague have still not reached a final agreement on the limits for conventional weapons. The number of tanks is still being discussed. It is probably because it is this type of weapon that the highest political and military representatives of the Warsaw Pact will have to meet.

The delegations have already reached agreements on combat aircraft, helicopters, and combat vehicles, but in addition to tanks the issue of the number of artillery still remains unresolved.

News Conference on Agreements

LD1010205490 Prague CTK in English 1726 GMT 10 Oct 90

[Text] Prague Oct 10 (CTK)—Participants in the third session of a Warsaw Pact special session for disarmament here have not yet reached agreement on the division of tank limits which may prompt a summit meeting of the member countries' political and military representatives.

This was said at a press conference by Czechoslovak First Deputy Foreign Minister Robert Harencar today. He informed journalists that the delegations have reached agreement on combat planes, helocopters and vehicles. A stumbling block, in additon to tanks, is also the question of the number of artillery pieces.

The commission started its session here yesterday, for the first time without participation of the former GDR. It is held at the level of deputy foreign ministers and chiefs of staff. They should reach concrete results on maximum national contingents of conventional weapons. It is most important to reach an agreement to be submitted at the Vienna talks of the NATO and Warsaw Pacts so that they may be wound up in time for a conventional disarmament document to be signed at the Paris summit of the Conference on European Security and Cooperation at the end of November.

Mr Harencar told journalists that if agreement is not reached on the 450-590 tanks above the limit set for the whole Warsaw Pact, supreme political and military representatives will have to meet to solve the problem.

Czechoslovakia's military representative at the Vienna NATO-Warsaw Pact talks on conventional weapons Colonel Jiri Divis said "Czechoslovakia is not by any means the country which blocks the talks by its claims". It was announced earlier that during the second round of talks of the Warsaw Pact special commission for disarmament at the end of September Czechoslovakia cut its original demand by 150 tanks.

Svatopluk Buchlovsky, director of the Department for the Conference on Security and Cooperation in Europe (CSCE) and the Warsaw Pact of the Czechoslovak Foreign Ministry, said that Bulgaria, Czechoslovakia, Hungary, Poland and Romania "disagree with the number of tanks agreed upon by the USSR and U.S.A. in New York. We take the view that the USSR must further reduce the level to some 13,000 tanks". He said that the two super powers reached agreement on 13,300 tanks.

Jiri Divis voiced the view that the Soviet Union should be responsible for one-half of the total of about 500 tanks above the limit set for the Warsaw Pact, and the other Pact countries for the other half.

Asked whether the USSR blocks the talks, Robert Harencar said that "this is a matter of more countries, not only the Soviet Union".

The Czechoslovak first deputy foreign minister also said that the delegations have reached agreement on combat planes, helicopters and vehicles.

According to information from army sources, the Warsaw Pact will have a total of 2,000 combat helicopters. Out of the total, the Soviet Union will have 1,500, and Czechoslovakia will have 75.

The Pact will have an aggregate of 30,000 combat vehicles 20,000 of which will be in the Soviet Army. The Czechoslovak Army will have 2,050 of these vehicles.

Speaking about further program of the Warsaw Pact, Robert Harencar said that its consultative committee will continue talks on transportation of the alliance before the end of October.

A session of the Political Consultative Committee in Budapest at the beginning of November should sign the final document on the national levels of particular kinds of weapons. However, it is possible that the Special Commission for Disarmament will have to meet at its fourth session which would have to be the last one, Robert Harencar said.

Foreign Ministry Condemns Attacks in Jerusalem

AU1110132490 Tirana Domestic Service in Albanian 2100 GMT 10 Oct 90

[Text] Israeli violence against the Palestinian population in Jerusalem is condemned—Foreign Ministry statement.

As has been reported, the Israeli invader recently committed a fresh bloody massacre against the Palestinian population in the city of Jerusalem, killing 19 people and wounding more than 140 others. The Ministry of Foreign Affairs of the People's Socialist Republic of Albania strongly condemns this ugly act of the Israeli forces of public order against the Palestinian people. The Albanian people, who steadfastly support the just cause of the Palestinian people, are deeply indignant at this tragic event, which is a further deplorable act of violence by the Israeli police against the innocent Palestinian population. They demand an end to such acts which are a consequence of the Israeli invasion of Arab and Palestinian territories. Israel's harsh steps against the Palestinian people burden still further the already highly complicated situation in the Middle East. It is the right of the Palestinian people to live in freedom and to have their own homeland. It is now clear that there can be no just and lasting solution to the Middle East crisis without a solution of the Palestinian question.

Council of Ministers Discusses Plan, Budget

AU0910100190 Tirana ZERI I POPULLIT in Albanian 30 Sep 90 pp 1-2

[Text] The Council of Ministers met the day before yesterday [28 September] under the chairmanship of Comrade Adil Carcani and discussed the report of the State Planning Commission and the Ministry of Finance, "On the Fulfillment of the 1990 State Plan and Budget, the Draft Plan for the Development of the Economy and Culture in 1991, and the Draft of the 1991 State Budget."

It emerged from the report and the discussion that great efforts have been made this year to overcome difficulties and fulfill the tasks of the state plan and budget. Even under the conditions of the exceptional drought and its severe consequences for the energy industry, agriculture, the balance of payments, industry, etc., many enterprises, cooperatives, and institutions have recorded achievements in meeting economic and financial targets; they have also laid sound foundations to be built on next year. Appreciation was also expressed for efforts to mitigate and eliminate the influence of these negative factors by tightening the savings regimen. The Council of Ministers dwelt particularly on the analysis of certain subjective factors, criticized the state and economic organs of the ministries, the districts, and the base for their failure to fulfill the tasks of the plan, particularly in oil and coal extraction, agriculture, exports, etc.; furthermore, they demanded full organizational measures to be taken to secure that the tasks planned for the fourth quarter of this year are fulfilled.

In connection with the draft plan for the development of the economy and culture in 1991, after assessing the work performed by economic organs of the base, the districts, the ministries, the State Planning Commission, and the Ministry of Finance, the Council of Ministers concentrated on further improving the balance of payments. This is the main factor for the rapid development of our economy with better productivity, quality, and a higher level of technology. Specific tasks were allocated for further boosting exports—particularly those goods in demand on the foreign market such as chrome and tobacco—to increase earnings from tourism and currency exchange, to extend business activities in every enterprise, district, and throughout the country, and to reduce imports. Economic cooperation with foreign firms and countries represents an important reserve for the construction of productive and nonproductive projects. The Council of Ministers assigned every ministry the task of reducing the gap between exports and imports.

The Council of Ministers reached the conclusion that, despite every effort, the demands of the new economic mechanism are still not properly reflected, especially in the allocation of investment funds, financial targets, the full use of production capacity, and so forth. Nor have excessive or premature demands for investments been prevented; the task of cutting them further was, therefore, set. The Council of Ministers charges the ministries, the planning and financial authorities, and the bank with the task of better coordinating their work and analyzing the problems of harmonizing the enterprises' own sources of finances with those of the state budget and bank credits. It also insisted on a careful and parsimonious examination of investments in those sectors financed by the budget which absorb substantial resources, but have failed to produce their desired economic yield, such as oil and ore drilling and prospecting, the basic livestock, orchard-planting, and so forth. The Council of Ministers also asked for a more effective use of the material and technical resources at the disposal of agriculture.

The Council of Ministers dwelt on the problems of supplies to the people, and viewed them in close connection with the money supply. It was pointed out that the measures recently taken to increase pay, reorganize handicrafts, expand cooperativists' plots, establish jointly-owned shops, etc., have had a very positive influence in raising the material and cultural level of the working masses. These measures will also have a significant effect in the coming year. The Council of Ministers pointed out, however, that we have not yet mapped out all the reserves and opportunities we possess in this field, and set the task of matching retail turnover more closely to purchasing power and the money supply, further increasing the tasks of the retail sector, the service sector of the state and the cooperatives, and so forth.

It was stressed that more care should have been taken in drafting the financial plan, especially in finding economic solutions and reducing the number of enterprises, production lines, or statistics which indicated losses. Examples were provided of some brickyards and agricultural and firewood enterprises which are still incurring losses. Instructions were given for stricter control by means of the lek and for the lever of subsidies to be used only in special cases where social policy or products necessary for the economy are involved. General losses for entire enterprises should not be planned. It is a matter of reducing losses and subsidies, improving the effectiveness of the economy, and increasing profit (the enterprise's net income), with the aim of providing more incentives for workers through the distribution of their above-plan earnings.

The Council of Ministers instructed the ministries and the executive committees in the districts to give more effective and substantial assistance to the agricultural enterprises and cooperatives in October, when the targets of the draft plan will be subjected to the judgment, discussion, and approval of the working collectives, and to create a healthy conviction of the importance and feasibility of setting the most realistic, scientifically based, and inspiring targets.

The Council of Ministers expressed the conviction that our country's working masses, under the leadership of the party basic organizations, will mobilize all their energies to fulfill this year's tasks and will find fresh ways and opportunities to lay down the best possible targets in the draft plan for 1991, the first year of the ninth five-year period.

Excessive Personal Land Grants Criticized

AU1110211190 Tirana ZERI I POPULLIT in Albanian 7 Oct 90 p 3

[Thanas Dino article: "No Democracy for Undeserved Profits"]

[Excerpts] In Permet, there have been mistakes and concessions in implementing the decision to expand personal plots and in allocating land, small livestock, cattle, vegetable gardens, and vines which have led to a reduction of the production resources and earnings of the agricultural cooperatives. For instance, cooperatives such as Fratar, Kajce, and Kreshove, between eight and 20 percent of whose land is under irrigation, have granted the whole of their irrigated land for personal plots. In Maleshove, 70.4 percent of orchards have been given to members of the cooperative, and in Katundishte, Zhepove, and Kajce, over 40 percent of the vine arbors have been given to the plots. In Bube, families have obtained more than three dunums of land [Ottoman land measurement, 1 dunum = 0.1 hectare]. The consequences of this for the work of the collective economy are evident from the following figures: In Ballaban, earnings per person may fall to 295 leks and in Frasher to 323 leks!

How has this happened? Some explain it as a result of the misinterpretation of the principle of village-level decisionmaking. Perhaps this is part of the truth, and individuals, families, or in isolated cases whole villages may have asked for good land and exaggerated benefits, which is very nice when we just sit and talk. However, it seems that even cooperative boards, people's councils, and party organizations have supported the granting of such privileges. They have made decisions "at the village level" and have conceded claims. They are so "awed" by democracy that they are even awed by abusers of democracy and troublemakers who have donned its garb. [passage omitted]

Comrade Ramiz Alia has explained that the measures which have recently been taken are advanced in relation to the character-formation of our people, their psychology, and our practice up till now. A general observation of public opinion shows that there is still a large gap between the new psychology and restrictive, backward thinking. It is not hard for old mentalities to persist or be revived. However, we cannot permit any abuse of the current social climate with its new and progressive measures, which are so acceptable and welcome. Those who abuse democracy, who are essentially antidemocratic, must not be allowed to "cast their nets." [passage omitted]

Damage to Cooperativist Property Denounced

AU1010163790 Tirana ZERI I POPULLIT in Albanian 28 Sep 90 p 1

[Unattributed editorial: "Strengthening Cooperativist Property Is the Basis of Rural Prosperity"]

[Text] The cooperativist peasantry have welcomed, with joy and enthusiasm, the measures taken by the party to extend personal plots with grants of livestock and land, thus helping to improve supplies of agricultural and animal products for peasant families. Recent months, however, have seen various unprecedented phenomena. We mean damage to cooperativist property. In almost all agricultural enterprises, personal livestock are causing damage. The patchy lucerne fields, more than anything else, testify to the damage done to pasture crops. This is also caused by negligence and slow work in granting pasture to peasants for their personal livestock. It is true that in some cases 101 excuses have been found for postponing the issues, and cooperativists are faced with genuine difficulties. Where such concern is well-founded, party organizations, people's councils, and the boards of cooperatives should find solutions at village level, as was done when the livestock were granted. There must be absolutely no abuses on the pretense of settling such contradictions, however, especially where such obstacles do not exist. We say this because in villages close to towns the plots are not being used for their intended purposes, and the peasantry are sowing vegetables instead of pasture crops to profit on the market. This is impermissible, and a firm stand with strict legal measures must be taken against such cases.

This is not the only matter that worries us. In village markets, one can see people bringing vegetables in sacks instead of baskets, and even selling watermelons and cucumbers from greenhouses, which the personal plots do not possess. One can now see cooperativists with sacks over their arms, wandering through corn and sunflower fields; these are people who follow their own sweet way, perhaps thinking, "You have to look after number one."

If these were incidents like those which have always occurred, they would cause no great concern. The evil lies in the fact that damage by individuals to cooperativist property is becoming more common. What is worse, the majority of such incidents of damage and theft takes place in broad daylight, and no one does much about it. It is such apathetic attitudes which are disturbing. In the cooperative of Aliko near Sarande, many fields yielded 30 quintals of corn per hectare instead of a planned 80 quintals?! In the Samatice sector at Kutalli near Berat, the damage done by those who have been caught alone amounts to 40,000 leks. Considerable damage has been noted in dozens of cooperatives in the districts of Lezhe, Mirdite, Kruje, Kukes, etc. Meanwhile, people's councils in the villages are virtually silent, and the apparatus of boards of cooperatives seems to be somehow cowed by the pressure of the thieves. Public opinion is similarly silent. Faced with this situation, the party's work must take the offensive. An warning must be issued to bring the wrongdoers to heel, and the people of the villages can do this very well.

Do we understand what we are doing when we damage cooperativist property? We harm collectivism, and we harm the basis for greater prosperity in the countryside. In some districts, especially in the northeast, some people express the view that cooperatives will be able to survive with such little land. There are, undoubtedly, also people who do not wish us well, and who roam the streets damaging common property, but what is worse is that their malevolent and premeditated activities are supported by people of weak character. It is this which strikes at the common property that is such a vital necessity for the Albanian village. The behavior of some people who lay their hands on cooperativist property adds grist to the mill of those who want to destroy the cooperatives. The idea of returning to the land they possessed before collectivization may have crossed the minds of some people. Such activities are encouraged by elements who want to bring back the kulaks to their former positions, and who do not want the peasants to win. In the name of democracy, some people profit by seeking to destroy the foundations of collectivization, which the peasantry laid with their blood, labor, and sweat.

The protection of cooperativist property cannot be reduced to a task for two or three years, or a matter for the cooperative chairman, the financial manager, or somebody else. No! Property belongs to all cooperativists; therefore, everyone must rise to his feet to protect it. Furthermore, the boards of cooperatives, party, state, and mass organizations must now shoulder major tasks. Under these conditions, all these organizations must bring young and old to their feet, working on public opinion so that it will expose and prevent any behavior that does even the slightest harm to cooperativist property. The enforcement of the law and the imposition of certain sanctions, together with the force of sound public opinion, will put in their place those who try to acquire common property.

Zhelev Assembly Address on Foreign Policy, Gulf

AU1110192090 Sofia Domestic Service in Bulgarian 1705 GMT 11 Oct 90

[Address by President Zhelyu Zhelev at Grand National Assembly session in Sofia—live]

[Excerpt] [passage omitted] Considering that the subject of the Persian Gulf crisis, of our attitude toward it, and of the possible dispatching of a Bulgarian military unit to that area was frequently mentioned during my recent visit abroad, I would like to explain our point of view in a more detailed and extensive manner.

We are not arms rattling warmongers. Such an attitude is really the least appropriate for a small country, such as Bulgaria, which is so deeply preoccupied with its own problems. On the contrary, we are in favor of a peaceful settlement of the Persian Gulf conflict. We would greatly prefer such a peaceful settlement to a military one. Therefore we wish that the knot of controversies in this area will be resolved without shedding even one drop of blood.

Our long-standing economic and political relations with the Arab peoples, our cooperation with them, Iraq included, of course, prompt us to be most benevolently disposed in their regard. Therefore, we would be the first to prefer an Arab solution to the conflict, provided that it is realistic, feasible, and effective.

We would be the first to congratulate President Saddam Husayn if he were to revise his initial decision and withdraw his troops from Kuwait. We would regard such an act not as an expression of weakness and cowardice, but as a manifestation of political maturity and wisdom. I am convinced that we would not be the only ones to approve such a development.

However, as long as this has not happened and in order to make it happen, we are obliged to support the resolutions of the UN Security Council and to strictly observe the embargo and to send a limited contingent to the area. In doing so we are showing that we are ready not only to observe, but also to defend the lofty principles of the UN organization which guarantee the sovereignty and territorial integrity of every small country wherever it is situated in the world.

Bulgaria is also a small country which could easily become the victim of aggression. If we were to permit the law of the jungle to prevail in international relations, namely let those who are stronger devour the weaker ones, we could not easily escape such a destiny.

These arguments are very important today, considering that the past guarantees for our national security and territorial integrity are gradually disappearing. Until recently the Warsaw Pact provided such guarantees for our country, which is a member of this organization. We also have a bilateral treaty with the Soviet Union. However, the Warsaw Pact is disintegrating as a military bloc. Hence, it can no longer play the role of such a guarantor. Our other guarantor, the Soviet Union, is also living through a difficult period. The democratic process under way in that country inevitably involves profound changes in its previous state structure.

In this connection I am not talking about the Soviet reform leaders, such as Gorbachev, Yeltsin, Shevardnadze, and others, about whose goodwill we have no doubts. We are talking about an objective process which is developing despite their intentions and regardless of them. I am talking about an objective process which under certain circumstances might deprive them of the possibility of being our guarantors.

This immediately confronts us with the requirement of searching for new and sufficiently reliable guarantees for our national security and territorial integrity, without renouncing our former guarantors, of course.

Fortunately, on this occasion, as a result of the development of international relations, considering that these relations are becoming increasingly universal, democratic, and humane, we can search for such guarantees not by linking our destinies with a great power and becoming its satellite, or by joining its struggle against other political blocs, or groups—as was the case of our relations with Germany prior and during World War II, and with the Soviet Union in the postwar period—but by our integration with the united European and worldwide community.

Actually, this means that we should achieve an optimal democratization of our country by opening it up to the world from an economic and political point of view, by integrating it with all European and worldwide economic and political structures, in the first place. In the second place, it means that we should strictly observe the principles of the UN organization and fulfill our obligations toward it.

Under the newly existing conditions, it is precisely the world organization that can and should be a guarantor of the sovereignty and territorial integrity of all states in the world—big and small. Those who consider this guarantee as too ephemeral, as too general and abstract to be real, I would nevertheless advise to examine the Persian Gulf events a little more carefully. When the United States, the Soviet Union, the United Kingdom, Britain, France, Germany, Italy, and others are uniting against the aggression and are ready to eliminate it by force for the purpose of restoring justice—it means that the world is entering a new era of international relations, under which the sovereignty of individual countries will be safeguarded by global guarantees and such countries will no longer be obliged to become satellites of a great power in order to defend their independence.

I would like remind those who consider my attitude as too warmongering, that as head of state, according to Article 92, paragraph 10 of the Constitution, I am obliged to safeguard the country's national security. While the old guarantees are disintegrating I am obliged to look for new guarantees. And these guarantees, in addition to the maintainance of our Armed Forces at the

level of reasonable sufficiency, should be sought in strictly observing the principles of the UN organization, and in its activities aimed at protecting and defending the international legal norms on which these principles are based.

In this respect our resolute stand on the Persian Gulf events and our denouncement of the aggression, our insistence on the unconditional withdrawal of the Iraqi troops from Kuwait, on restoring the legitimate government of Kuwait, and our readiness to send a Bulgarian military unit, within the framework of the international armed forces, above all, express support for the world organization and for the norms of International Law, and last, but not least, our will to protect our own national security. In this respect the possible dispatching of a limited military contingent, which can be solely decided upon by the Grand National Assembly, represents an invaluable investment in our own national security. I repeat that Bulgaria is also a small country and could easily become the victim of aggression.

For this reason, I propose without any hesitation whatsoever, that the Grand National Assembly should adopt the relevant resolution on the basis of the principle of volunteering.

I also take the liberty of congratulating the thousands of Bulgarian citizens from different social strata, of different professions, who have enrolled as volunteers guided by the awareness of contributing to our country's integration with the family of civilized nations, as some of them wrote, or of cleansing their country's image, as some others wrote.

In connection with the possible sending of a military unit to the Persian Gulf area, a dispatch from Washington was incorrectly reported in our media during my absence. It was announced that I had adopted an arbitrary decision on this issue and that the sending of a military unit is a question of days. I believe that I am sufficiently acquainted at least with that part of the Constitution which concerns my own obligations and competence, and that I would not permit myself to adopt such arbitrary action.

I made a statement in Washington in response to a question, by saying that this question is being discussed in our country and that a decision is about to be adopted on it. I was thinking of the discussions which took place at the National Security Council a month and a half before our departure. The discussions were related to the dispatching of a military-medical unit and of transport aircraft to Saudi Arabia for evacuating foreign citizens from Asia and Africa. I was also thinking about the recent initiative of two deputies from the National Assembly who, as far as I know, collected over 100 signatures of parliament members from all political groups related to sending a military unit to the Gulf area.

Thus, no one has ever adopted any decision on the question by transgressing his rights. It is the prerogative of the Grand National Assembly to adopt such a decision and it is, I repeat, the only competent organ entitled to determine this issue.

It is my opinion, that the exceptional importance of this decision, which is of historical importance for our country and involves great responsibility, calls for a vote by roll call and not for anonymous voting.

In this connection there is also the question of evacuating our citizens who are working in Iraq. We have done, we are doing, and we shall do everything within our power to alleviate their situation and bring them back home.

This is not the right occasion to enumerate everything we have accomplished and are about to accomplish in this respect. I think that it would be quite appropriate for the minister of foreign affairs to submit a detailed report on this question, so that our public might not get the impression that we have forgotten our people and are not concerned about their fate.

I would just like to mention that we are acting through the Committee on Sanctions under the Security Council, through the United States and the Soviet Union, and directly.

During the upcoming days we intend to send a high-ranking government delegation to Iraq. [passage omitted]

Further on Address, New York Talks

AU1110191190 Sofia BTA in English 1832 GMT 11 Oct 90

[Text] Sofia, 11 Oct (BTA)—At the meeting he recently had in New York with the Soviet minister of foreign affairs, Mr. Eduard Shevardnadze, the Bulgarian president, Dr. Zhelyu Zhelev, sent a message to Mr. Mikhail Gorbachev and invited him to visit Bulgaria. The invitation was accepted and an invitation was extended to President Zhelev to visit Moscow at his earliest convenience.

Today in a speech made at the Grand National Assembly President Zhelev stated an end had been put to Bulgaria's abnormal and unique economic binding to the Soviet Union, which in the present situation has placed her in the conditions of a deep economic crisis. The national representatives applauded the president's statement that in future Bulgaria will harmoniously develop her relation both with the USSR and with the United States.

The president rendered an account of his recent visit to the United States and France not only to the parliament, but to the Bulgarian people, too, as his speech was directly broadcast on radio and television.

We tried to present Bulgaria's new image to the world. Because no matter how slow and sporadic the changes in Bulgaria may seem, in less than a year important changes were carried out in Bulgaria which destroyed the basis of the totalitarian system and the country embarked on the road to democracy, Dr. Zhelev underlined.

Commenting on the crisis in the Persian Gulf, the president said that the Bulgarians are not a warlike people. On the contrary, he said, we are for the peaceful settlement of the Persian Gulf conflict, we prefer the peaceful solution to a military one thousands of times. Our long economic and political relations with the Arab peoples, the people of Iraq included, by all means make us want the good of them. We will be the first to hail a peaceful settlement of the conflict. We will be the fist to congratulate Saddam Husayn if he shows wisdom and withdraws the Iraqi troops from Kuwait. But until this is done, Dr. Zhelev underlined, we are obliged to support the resolution of the United Nations Security Council.

The president proposed that the Grand National Assembly should approve the sending of a small military unit of volunteers who would join the international security forces in the region of the Persian Gulf. He also proposed voting by roll call on this matter.

The national representatives mainly of the opposition, applauded the proposal.

Lukanov Says Market Economy Is 'Last Chance'

AU1110164590 Sofia BTA in English 1553 GMT 11 Oct 90

[Text] Sofia, 11 Oct (BTA)—A cruel program necessitated by the cruel conditions in which Bulgaria has got to fight for her survival, this is how Prime Minister Andrey Lukanov characterized at a news conference today the program for the transition to a market economy he submitted to the Bulgarian parliament yesterday evening.

According to Mr. Lukanov the transition to a market economy is Bulgaria's last chance. He appealed on all Bulgarians "to wake up from their deep sleep" and face the severe realities conditioned by the former "economic absurdity" in the country and the drastically worsened international situation which puts the Bulgarian nation to unprecedented trials.

With a foreign debt of more than 10 milliard dollars, this and next year Bulgaria will suffer a loss of about five milliard dollars due to the disintegration of the Council for Mutual Economic Assistance and the Persian Gulf crisis. The country cannot make up for the losses, the prime minister said. He predicted a drastic cut of all imports next year.

The leader of the one-party socialist cabinet stated he would follow a national and not a party policy and called upon all political forces to support him. In an unprecedented sharp tone he said that any ideological polemics in the present exclusively critical situation was "criminal" and accused the political forces of ignoring the people's will for national concord.

Mr. Lukanov said he had "revised" his views concerning the gradual transition to a market economy due to several reasons which had rendered the election platforms of the major political forces "pointless". One of them is the abolishment of the bilateral agreement reached with the Soviet Union in March this year for settling convertible currency payments under the "clearing regime" until 1994. Recently is has been decided that the two countries will settle their payments in dollars as of the beginning of next year.

Another factor is the crisis in the Persian Gulf, in result of which Bulgaria has lost so far one milliard two hundred million dollars which Iraq was to pay off by delivering petroleum. Besides the country is suffering enormous losses ensuing from the rise in oil prices and the unrealized profits, the loss of which is due to the freeze of the Bulgarian companies' economic presence in the Iraqi market.

The program creates conditions for a transition to a market economy and its fulfillment will receive the support of the international financial community, the prime minister stated. Today he had a meeting with the managing director of the International Monetary Fund, Mr. Michel Camdessus.

Zhelev, Lukanov Discuss Provisional Councils

AU1110111990 Sofia DUMA in Bulgarian 9 Oct 90 p 1

[Dimtrina Aleksandrova report: "National Consultative Group Will Advise Lukanov in Appointing Provisional Executive Committees"]

[Text] A consultative group consisting of representatives from all political forces is expected to examine the protocols of the municipalities and oblasts where it has not been possible to reach agreement on establishing provisional people's councils executive committees. Prime Minister Lukanov discussed this issue with Zhelyu Zhelev, president of the Republic, at their meeting yesterday. The two leaders are expected to meet again to discuss further details of the establishment of the consultative group.

Nora Ananieva, deputy chairman of the Council of Ministers, expressed the hope that this will make it possible for all provisional executive committees to be appointed by the end of the week.

The one-month legally established deadline for the appointment of provisional executive committees and administrations expires on 7 October 1990. Andrey Lukanov appointed the leaders of 158 municipalities all over the country and those of Khaskovo Oblast last Friday, 5 October.

Until yesterday the Council of Ministers had been briefed only on an agreement about the composition of the Burgas Oblast Executive Committee.

The protocols for nine municipalities are still missing, while the protocols of 106 municipalities report differences between the political forces.

According to Lilyana Georgieva, adviser to the Council of Ministers, the most frequent dispute is about the question of which political force should nominate the chairman of the provisional Executive Council. Differences also exist on the distribution of seats. The question whether representatives of the local Fatherland Union, the Rights and Freedoms Movement, and the Fatherland Labor Party should participate or not is also a controversial subject.

So far agreement has been reached in 158 municipalities with the following distribution of seats for provisional executive committee chairmen: 124 from the Bulgarian Socialist Party [BSP], 21 from the Union of Democratic Forces [SDS]; 12 from the Bulgarian National Agrarian Union [BZNS]; and one from another party or movement.

The chairmen of oblast provisional executive committees in Khaskovo and Burgas are BSP members.

Special Units Appointed To Combat Black Market

AU1110104690 Sofia DUMA in Bulgarian 9 Oct 90 p 1

[Unattributed report: "Specialized Groups To Combat Black Marketeers"]

[Text] Pencho Penev, minister of internal affairs, announced on television tonight: "We have established specialized groups to combat black marketeers." The interview with the minister was prompted by the fact that the Law on Combating Speculation, which was adopted by parliament last week, comes into force today, 9 October 1990—the date of its publication in DURZHAVEN VESTNIK.

The law did not meet us unprepared, the minister stressed. The groups consist of professionally skilled specialists. They include experts on economic and penal crime, representatives of the National Service for the Defense of the Constitution, the Ministry of Domestic Trade and Public Services, and the Ministry of Finance.

However, in order to make this struggle really effective and to reduce this phenomenon to a tolerable minimum, we should be able to rely on the general assistance of the public. In fact, the citizens, the consumers themselves, must realize that the black marketeer is their greatest enemy, the minister pointed out in conclusion.

BSP Control Commission Elects New Leadership

AU1010145390 Sofia DUMA in Bulgarian 7 Oct 90 p 1

[Darina Radeva report: "All-Party Control Commission Elects Bureau"]

[Text] The All-Party Control Commission of the Bulgarian Socialist Party [BSP] held a meeting on 6 October and elected its bureau. In addition to Deyan Rizov, who was earlier elected chairman of the commission, the following members were elected in an open vote: Kiril Kalyonski and Petur Balevski were elected deputy chairmen; and Atanas Ivanov, Atanas Neshkov, Dimitur Mandadzhiev, Zdravko Georgiev, Ivan Stefanov, Kiril Pandev, Khristo Cholakov, and Khristofor Dochev were elected members.

The election was preceded by continuous and occasionally, emotional debates, which were related not so much to the proposed candidacies, which afforded the possibility of choice, as to the All-Party Control Commission's sphere of activity, functions, and tasks. A hope was expressed that the commission will rid the party of corrupt and politically and morally compromised people, defend those who have been unjustly accused, rehabilitate party members who have been politically repressed, and implement financial control over the party means.

The new charter gives the commission specific rights, Deyan Rizov said in his introductory speech. However, the analogy with the not so distant past reminds one of the danger of turning the commission into an organ of repression. This issue also was in the center of the statements. Is this a real danger and how it could be evaded? How will the all-party and municipal commissions demonstrate the character of party organs in their activity, rather than the character of judicial instances? What do the concepts of political guilt and political responsibility mean? What are the criteria of determining them? Is public opinion a sufficiently reliable criterion?

In addition, entirely specific, everyday life questions will be posed by life itself. For example, how is responsibility to be enforced in cases of unpaid membership fees? What is to be done with the documents of the primary party organizations in the enterprises and offices, which have been disbanded...?

The idea of the priority of deeds to words was voiced several times during the discussion. One hopes that the words, which this time took a lot of time, will not contradict the actions. Let us hope that the words will be the foundation upon which several specific directions of work will develop: This is the first recommendation of the members of the All Party Control Commission to the newly elected bureau.

BSP Supreme Council on Upcoming Local Elections

AU1110110990 Sofia DUMA in Bulgarian 9 Oct 90 p 1

[Angel Bonev report: "Political Offensive Is Required"]

[Text] The forthcoming accountability-election meetings and conferences of the Bulgarian Socialist Party [BSP], which are already in progress in some places, were the primary subject of yesterday's meeting between the Supreme Party Council and the chairmen and secretaries of the municipal party councils.

Aleksandur Tomov, deputy chairman of the BSP Supreme Council, reviewed the major results of the

congress and stressed that the main task of Socialists today is to take the political initiative. The BSP has exhausted all possibilities for compromise, he stated. The accountability-election conferences should mark the beginning of a political offensive that is particularly important at this time, considering that the election campaign for local government organs is just starting. For this reason the party not only requires a frank analysis of all internal processes, especially related to the state of its organization, but also a rejuvenation of party leadership in the basic municipal organizations. This means that functionaries who have disgraced themselves in the past and who are guilty of corruption should be held politically responsible.

The debate focused primarily on the state of the party's organization and the self-determination of Socialists in connection with the exchange of membership cards. Critical remarks were addressed to the Supreme Party Council regarding its relations with the municipal government organs. Several questions were asked which Aleksandur Tomov answered in detail.

In his closing statement Aleksandur Lilov, chairman of the BSP Supreme Council, pointed out that the political atmosphere in which the party is working today should be analyzed very thoroughly. It is extremely important to overcome the state of passivity and confusion which affects the basic party organizations today. He stressed that the party should engage in a dialogue with each individual Socialist today and that the exchange of membership cards should be speeded up.

BSP To Reregister Members, Renew Party Cards

AU1210102690 Sofia DUMA in Bulgarian 10 Oct 90 p 2

[Unattributed report: "Reregistration and Renewal of Party Membership Cards by 30 November"]

[Excerpts] The Presidium of the Supreme Council of the Bulgarian Socialist Party [BSP] has sent the BSP municipal and primary party organizations and all BSP members a letter in connection with the decisions of the 39th BSP Congress on reregistration of the BSP members and the renewal of their membership cards. This step has been prompted by the fact that the party changed its name as a result of the referendum, and because since the 39th BSP Congress the party has been transforming itself into a strong leftist party, champion of the values of democratic socialism: peace, freedom, democracy, and justice. [passage omitted]

The specific character of the renewal of party membership cards is closely related to man's right to affiliate with different political platforms and parties. In this context every Socialist has the opportunity to continue his membership in the BSP on the basis of his personal conviction, to actively participate in its work, and thus facilitate the renewal of the party.

The renewal of the party membership cards is both a personal and social issue, because membership in the BSP is important not only for the individual member, but a fateful matter for the party and Bulgaria's future.

The letter explicitly points out that the renewal of the membership cards is not a purge, a reckoning with those who think differently, or a form of settling personal scores. On the contrary, it is the struggle of every Socialist for active participation in the party's political life.

The renewal of party membership cards aims at accelerating the reform of the primary party organizations; establishing the precise number of party members and restructuring the primary party organizations; encouraging the hesitant ones, stimulating change in the Socialists and inspiring them with the firm conviction that they are the force that can oppose conservatism, pseudoradicalism, and the remnants of totalitarian thinking in the party, as well as neofascism, terrorism, and anarchy; and completing the process of relieving the party of all compromised and corrupted members who have violated the country's laws.

The Presidium of the BSP Supreme Council points out that the renewal of the party membership cards must also be utilized in order to recruit representatives of various social strata. The attention of the primary party organizations must be directed toward admitting young people. This is a fateful issue on which the party's strength, vitality, and future depend. [passage omitted]

National Security Council Tasks, Role Explained

AU1010103390 Sofia VECHERNI NOVINI in Bulgarian 5 Oct 90 pp 2, 3

[Interview with Major General Kamen Petrov, secretary of the Bulgarian National Security Council, by Mariyana Boyadzhieva; place and date not given: "National Security for National Interests"; first two paragraphs are VECHERNI NOVINI introduction]

[Text] The announcement that our country is ready to dispatch a military contingent to the Persian Gulf area has divided public opinion in our country. This increased the people's interest in the activities of the Bulgarian National Security Council.

In trying to answer our readers' questions on the subject, we asked Major General Kamen Petrov, secretary of the Security Council, for an interview.

[Boyadzhieva] What does the National Security Council actually represent and what are its competences?

[Petrov] Considering the current development of the situation in Bulgaria, the questions of national security acquire increasing importance.

Following the events of 10 November 1989 and in view of all the changes they involved, the approach to the solution of security problems has also changed. The council was established on the basis of a decree issued by

the president of the Republic during the second half of August 1990. The experience of several advanced democratic countries was applied in this connection.

Generally speaking, we can say that the council deals with problems of Bulgarian foreign and domestic policy related to national security. Another task of the council is to cope with all questions concerning the establishment, organization, structure, training, and supply of the Armed Forces, of security, and public order organs. The third sphere of the council's work is concerned with preparing the country, the population, the economy, and the whole Bulgarian territory for defense (which we call the "operational equipment of the country's territory"). The council is also convened to discuss problems resulting from emerging situations of nationwide crisis, such as earthquakes, fires, and public unrest.

As is the custom in other countries, the council is chaired by the president of the Republic. The leaders of the major ministries are members of the council.

The National Security Council is a consultative, advisory organ. It is in charge of discussing relevant problems, of preparing recommendations, and of drafting the head of state's commentary on draft projects submitted to the National Assembly. The council is not authorized to make decisions.

[Boyadzhieva] Are there any differences of opinion between the council's experts and their colleagues from the respective state departments?

[Petrov] Differences exist between experts from the Ministry of National Defense and the Ministry of Foreign Affairs, for example, but they are not fundamental. As a matter of fact, at the beginning of the disarmament negotiations, the diplomats played a major role, considering that political questions were being discussed, and this was natural. However, in their efforts to speed up the negotiations, the diplomats were ready to accept substantial reductions of the Bulgarian Army, without reflecting how far one could go. When the negotations entered the decisive stage, everyone realized that it was high time for the military experts to step in. We can definitely assert that diplomats and military experts mutually complement each other today and that they are essentially acting in accordance with national interests.

[Boyadzhieva] Could you brief us on the future development of the Warsaw Pact?

[Petrov] We should not only ask about the future of the Warsaw Pact, but also about Bulgaria's future role in it. The functions of the pact and its future tasks, its future nature, as a whole, are being very seriously reassessed. The general opinion is that neither NATO, nor the Warsaw Pact can continue to exist under the present form. They must be transformed from military-political into political-military organizations.

It is my personal conviction that Bulgaria should remain a member of the Warsaw Pact as long as the organization exists.

[Boyadzhiev] What can you say about the Vienna negotiations and about Bulgaria's role as a flank state?

[Petrov] Bulgaria's geostrategic and geopolitical situation is peculiar. We consider the nationalist intentions of certain neighbors as a permanent threat. According to the manner in which the Vienna negotiations are conducted, the NATO Armed Forces in this southern European region (such as those of Greece and Turkey) are hardly expected to suffer any reductions, while our country, together with Romania, and certain Soviet military okrugs, is supposed to have the same number [not further specified] as Turkey and Greece.

All this demands a very careful approach in dealing with the problems of Bulgaria's national security—both in the political and the military sphere, but also in all other spheres. So far we have relied on the assistance of the Warsaw Pact and of the USSR on the basis of our bilateral treaty. The all-European system does not exist yet, it is not yet functioning. Does this mean that we should live in a vacuum in the meantime?

I think that we should continue to rely on the former system for guaranteeing our national security. The transition from the block system to an all-European security system should proceed smoothly. We should take into consideration that fact that the military factor is still expected to play an important role in guaranteeing our national security for a long time. We should, therefore, insist with our former allies that they should guarantee our capacity to maintain our Armed forces at advantageous levels compared with those of Turkey and Greece. We should seek a political consensus on national security issues in our country.

Support Role to President Stressed

AU1010141690 Sofia OTECHESTVEN VESTNIK in Bulgarian 6 Oct 90 p 10

[Report on interview with Major General Kamen Petrov, secretary of the National Security Council, by unidentified reporter; place and date not given: "What the National Security Council Is"]

[Text] If such councils were superfluous, they would not have existed in countries with lasting traditions in democracy and state structure, such as France, England, and the United States. In France, for example, there are two such organs—the Supreme Defense Council and the Committee on Defense—which serve the president and the government.

Major General Kamen Petrov, secretary of the National Security Council, told about the serious research which preceded the presidential decree of 24 August on appointing the members of the council:

In our country, as everywhere else, the president becomes chairman of the council, while the vice president, deputy chairman. In addition to the ministers of international affairs, internal affairs, and national defense, the leaders of certain departments, whose activities are related to national defense issues, such as the commander of the General Staff, also are members of the National Defense Council.

The leaders of various ministries can bring specific issues to the council's attention. However, the establishment of the council does not relieve them of their obligations to the country's security.

Asked whether the analogous commission at the parliament does not deal with the same subjects as the council, Maj. Gen. Petrov said:

As with every other commission, it deals with legislation; i.e., it works out, reviews, and submits new legal acts and other similar documents. On the other hand, the council is a consultative organ, directly responsible to the head of state.

This is fully understandable. The president must have his opinion (also on the matter of draft laws). The National Security Council is there to help him to correctly orient himself. This also applies in emergencies.

Thus, while really being a consultative organ, the council has serious functions in working out crucial issues of our international and domestic policy. Its "realm" includes everything related to the Armed Forces—their construction, deliveries of weapons and combat equipment, and training. The same applies to the security organs. Preparations for a possible case of aggression against the country represent another sphere of the council's activity.

At its first meeting, the council reviewed the position which our country will support at the Vienna talks.

Vienna will continue to figure in our work also after the document is signed, Gen. Petrov says. This will essentially be a second Helsinki. The political foundations of the future system of all-European security will be laid. Bulgaria is interested not only in adopting, but also in strictly observing the treaty that will be signed in Paris.

Among other things, it is our duty to acquaint the public (and first of all the deputies), with the treaty itself. While there can be parliamentary disputes and political bias on all other issues, we must have consensus on matters of national security.

Apparently, the deputies are still not clear about issues of security and often connect it with purely military factors. However, it is obvious that the concept of the "country's national security" consists of a comprehensive system of political, economic, military, ecological, and other factors, taken together.

After the signing of the conventional forces treaty, Bulgaria will also have to make the appropriate quantitative reductions. This will impose the need to restructure our Armed Forces, change the ration of various kinds of weapons, and stress quality rather than quantity. The conversion also represents a major issue in anything related to equipment and financial and social issues. The reform of the internal security organs that is being implemented will also be assessed. The council has already assumed its share of efforts and responsibilities. Kamen Petrov invited us to a new meeting at the end of the year, when more results will be evident.

Dec Local Elections Expected To Be Postponed

AU1210101290 Sofia DUMA in Bulgarian 10 Oct 90 p 1

[Mitko Bozhkov report: "Elections Are About To Be Postponed"]

[Text] Velko Vulkanov, deputy chairman of the Grand National Assembly Legislative Commission, stated as follows at yesterday's meeting of the commission: "The local elections that were supposed to take place prior to 7 December 1990 will presumably be postponed. We are not in a position to draft all the laws required for the elections within such a short period." Deputy Andrey Andreev added: "We are expected to prepare three draft laws within a month. This is absurd."

Yesterday, the Legislative Commission was supposed to start with the debates on the draft law on the election of local organs but did not. Stoyan Ganev, spokesman of the Union of Democratic Forces, categorically stated the opposition's view that a comprehensive reform of local administration, territorial organization included, should precede the debates on the draft law on local elections. We intend to submit our own draft law on local organs, he stressed. His statement was supported by Snezhana Botusharova who proposed: "Let us postpone the debate to next Thursday."

The brief exchanges of opinions between several deputies revealed that instead of one draft law on local administration the Grand National Assembly deputies will presumably be obliged to deal with three separate drafts—namely a draft law on the country's administrative-territorial organization, a new draft law on local elections and a draft law on local administrative organs. It was pointed out that things should be speeded up, considering that the final deadline for the People's Councils elections set by parliament is still 7 December 1990.

Some deputies did not share the concern and pessimism of their colleagues. The situation is not so dramatic and perhaps we will be able to cope, Yanaki Stoyanov declared. Spas Muletarov proposed a compromise solution. According to his proposal, no oblast councils, but only municipal councils and township councils should be elected. Deputy Aleksandur Pramatarski submitted a similar proposal, namely a draft law on local self-government and local administration. It turned out,

subsequently, that this draft law is based on the suggestion of a specialist group under the leadership of Professor Zhivkov Milanov.

Will there be, or will there not be local elections in December 1990? The answer to this question depends entirely on the Legislative Commission and the Grand National Assembly. The elections are awaiting their law.

Christian-Socialist Union Wants Leaders Restored

AU1010144990 Sofia DUMA in Bulgarian 6 Oct 90 p 2

[Unattributed report: "Christian-Socialist Union Wants To Set Bulgaria Straight"]

[Text] Bulgaria needs a provisional working government, composed of the legal heirs of the democratic political forces removed by force on 9 September 1944, and their allies, a memorandum of the Christian-Socialist Union read on 5 October at a news conference in SOFIA PRESS AGENCY, asserts.

The document asserts that the present so-called Grand National Assembly is the product of total fear, lies, manipulation, political oppression, and falsification on the part of the ruling party and its subversion centers. The Christian-Socialist Union thinks that election under UN supervision should take place after establishing the provisional working coalition government, adopting the new constitution, and electing the local organs.

The Christian-Socialist Union demands that religious education be introduced in the elementary and secondary schools. It opposes totalitarianism and the false democracy imposed by the new fatherland front: the Union of Democratic Forces [SDS]. The SDS and the Bulgarian Socialist Party deceive world public opinion that democracy exists in Bulgaria.

The memorandum is signed by representatives of nine political parties that form the Christian-Socialist Union. It is addressed to the Bulgarians, the president of the country, the patriarch, the pope, the secretaries general of the UN and NATO, the presidents and state leaders of the USSR, United States, Russia, France, England, Germany, and Italy, and about 30 mass media organizations.

According to Petur Gogov from the Bulgarian People's Party, the membership of the Christian-Socialist Union totals 700,000 people. The question about the membership of the Christian-Socialist Union was asked by DUMA. Petur Gogov described the question as an insinuation.

Muslims Found Cultural, Educational Organization

AU1110135190 Sofia BTA in English 1310 GMT 11 Oct 90

[Text] Sofia, 11 Oct (BTA)—The Muslims in Bulgaria have established their own cultural and educational organization, called Alev and based in Varna.

The organization will operate within the Constitution and the laws and within the International Bill of Human Rights. Alev will work for the preservation and promotion of cultural and religious traditions and values, for the conservation of the historical monuments of the Turkish and the Muslim population.

Alev will bring together all Bulgarian citizens professing Islam. It declares itself against chauvinism and nationalism irrespective of their source.

Military Aircraft Crash, Pilot Deaths Reported

AU1110144290 Sofia NARODNA ARMIYA in Bulgarian 8 Oct 90 p 3

[Unattributed report: "Aircraft Accident"]

[Text] The Inspectorate on Flight Safety of the Antiaircraft Defense and Military Air Force Staff reported to us at the end of last week, that Petty Officer Cadet Zhoro Andreev Denchev and Major Engineer Asen Yordanov Khristov, his instructor, both from the Georgi Benkovski Higher Military Air Force School, were killed in an air crash during a training flight on board of an L-39 aircraft on 2 October 1990.

All members of our editorial board express their most sincere condolences to the relatives, friends, and comrades in arms of the two pilots.

NARODNA ARMIYA, in one of its next issues, will try to collect further information and brief our readers on the details of the tragic accident.

Zhelev Proposes New Inquiry Into Attack on Pope

AU1110152890 Sofia BTA in English 1442 GMT 11 Oct 90

["Antonov Can Hardly Be Expected To Speak"—BTA headline]

[Text] Sofia, October 11 (BTA)—President Zhelyu Zhelev proposed to hold a new, independent inquiry into the attempt at the life of Pope John Paul II, but in the opinion of a journalist working for the REPORTER 7 private weekly the Bulgarian Sergey Antonov, who was acquitted by the Italian Court in 1986, could hardly be interrogated.

He had tried in vain to speak to Mr. Antonov. Forty-two-year-old Antonov, welcomed as a hero when he came back to Bulgaria four years ago, is an outsider now. He has not yet recovered psychically. The journalist could not talk with him, but with his mother only—after his divorce Mr. Antonov lives together with her and an aunt of his in an old residential building in the center of Sofia.

His mother is not afraid of resuming the investigation, because she is convinced Mr. Antonov is not guilty. She insists on finding out the truth, because her son feels oppressed by having been acquitted on the ground of a

"lack of evidence". When four years ago he came back to Bulgaria, he was promised that steps would be taken to re-examine the case so that a new verdict of "not guilty" is passed, but nothing was done to this effect.

Mr. Antonov's family states that some Bulgarian emigrants are to be blamed to a great extent for the maintenance of the charges against him, mentioning the name of Mr. Velichko Peychev.

Now Mr. Antonov works in the International Department of the Balkan Airlines, but he avoids the company of the people there. It is almost impossible to establish contact with him. During lunch breaks he can been pacing in a circle (a habit he acquired in prison) and smoking a cigarette. He is still driving his car. His relatives say he is an extraordinarily disciplined driver.

He does not like reading papers and watching TV, his mother says. He listens to the radio only. He is silent almost all the time and two years ago he shut himself up in his home. None of his friends come to visit him. "Nobody cares for him," his mother says. She considers that her son should have been given a more comfortable housing accommodation and that he should have been treated.

Another two Bulgarians were involved in the case of the "Bulgarian connection" in Rome: Zhelyo Vasilev and Todor Ayvazov. They were accused of complicity but later acquitted due to the "lack of evidence". At the moment Mr. Vasilev who is an officer works in Sofia and Mr. Ayvazov is a financier at the Bulgarian Embassy in Belgrade, REPORTER 7 informs.

IMF Official Camdessus Meets Parliamentarians

AU1110135790 Sofia BTA in English 1308 GMT 11 Oct 90

[Text] Sofia, 11 Oct (BTA)—Mr. Michel Camdessus, managing director of the International Monetary Fund, who arrived in Sofia yesterday, met today with Bulgarian members of parliament.

"The International Monetary Fund, which Bulgaria joined recently, is prepared to help it in all possible ways and it has already started to do so by providing economic advice," Mr. Camdessus said. Once the changes in Bulgaria start meeting the fund's standards, it will offer currency aid as well. "We can give you advice, but the choice is yours," Mr. Camdessus stressed the present responsibility of the Bulgarian parliament. He reiterated that the reform should be comprehensive and fast but careful. Its success, he emphasized, requires a broad national consensus.

Mr. Camdessus said he was pleased that the Bulgarian Government has adopted a comprehensive approach in the program it presented to Parliament last night.

Lukanov Receives Camdessus

AU1110192990 Sofia BTA in English 1833 GMT 11 Oct 90

[Text] Sofia, 11 Oct (BTA)—Today Prime Minister Andrey Lukanov received Mr. Michel Camdessus, managing director of the International Monetary Fund (IMF).

They discussed a number of problems related to Bulgaria's cooperation with the IMF after the country's admittance to membership in it. The IMF evaluation and recommendations of the IMF as to the economic program of the Bulgarian Government were listened to.

Mr. Camdessus underlined that the Bulgarian program has a great potential and that it contains the necessary basis for an accelerated transition to a market economy, which will increase the confidence of the world in this country. The guest stated that the program could be fulfilled only under certain conditions, which the International Monetary Fund would definitely support and would render concrete assistance. They are contained in the program, but it is necessary to strictly comply with them in order to obtain the expected result. Of the conditions which are especially important Mr. Camdessus stressed the strict pursuance of a financial policy of budget balance, following a monetary policy aimed at the strengthening of the Bulgarian lev and the early establishment of a convertible Bulgarian monetary unit, limiting the domestic consumption, stimulating savings and the citizens' enterprise. The rapid transition to real market prices and the creation of market conditions which would soon reduce the inflation, thus rendering the indexation of wages unnecessary is considered to be of special importance for the market economy. To achieve this goal an adequate policy of stimulating private enterprise must be followed.

Urgent measures should be taken to normalize the country's payment balance through building up an adequate structure and pursuing an export and import policy for increasing the currency receipts.

Mr. Camdessus paid special attention to Bulgaria's foreign debt. He sees the concrete solution to this problem only in the strict fulfillment of the government program. Bulgaria can rely on the firm support of the most powerful world financial and economic organization only when an all-round concrete stabilization program is worked out together with the IMF experts and approved. For this purpose a special agreement with the IMF will be concluded.

According to Mr. Camdessus the successful implementation of the program will open real possibilities for the payment of part of Bulgaria's foreign debt parallel with its determent. It will give ground for support on the part of the European Economic Community, the Group-24 and the international economic and banking community.

Democratic Youth Leader on Sending Troops to Gulf

AU1010182790 Sofia MLADEZH in Bulgarian 8 Oct 90 p 2

[Interview with Bulgarian Democratic Youth Chairman Rosen Karadimov by Yana Mavrodieva; place and date not given: "Human Lives Should Be Spared Above All Things"]

[Text] [Mavrodieva] Our readers are calling to ask about your opinion on the Bulgarian military participation in the Persian Gulf crisis expressed in Issue No. 178 of DUMA. Would you clarify your views?

[Karadimov] I would not dare to adopt a categorical stand on the question of the manner in which Bulgaria should participate in solving the Persian Gulf crisis. The only thing I am certain about is that the Grand National Assembly is the sole institution entitled to discuss and decide upon this issue. I approved the joint idea launched by a group of deputies from the Bulgarian Socialist Party [BSP] and the Union of Democratic Forces about the requirement to holding such a debate in parliament. I expressed my opinion prior to the president's declaration and my view should by no means be regarded as a support for any side whatsoever. I think that by publicly submitting his statement before the problem has been discussed by the Grand National Assembly, Doctor Zhelev transgressed his constitutional competence. I declared that I would agree with a participation of the People's Republic of Bulgaria in the military solution of the Persian Gulf crisis under the following three conditions. First, if the Ministry of Foreign Affairs guarantees that there is no other method of evacuating and rescuing the Bulgarian citizens in Iraq. If the Iraqi side should demand the nonparticipation of the People's Republic of Bulgaria in military actions as a sine qua non condition for the evacuation of Bulgarian citizens from Iraq, I would not vote for our participation. Second, if the United Nations adopts a resolution on conducting military actions under its leadership. This means that the United Nations should assign the task of dispatching military contingents to its member states for participating in actions of the so-called "blue helmets." Third, if the People's Republic of Bulgaria dispatches only volunteers to the Gulf area. These three conditions are interrelated. I would not support Bulgaria's military interference in the solution of the crisis as long as all three of the aforementioned conditions are not implemented.

[Mavrodieva] The mass media recently reported that lists of candidates for volunteers are allegedly circulating in Sofia?

[Karadimov] It is the right of every citizen to volunteer, but I would not approve the dispatch of volunteers, as long as the two other conditions are not fulfilled.

Communist Party Property To Be Expropriated

LD1110124190 Prague Domestic Service in Czech 1130 GMT 11 Oct 90

[Text] At its session held today, the Federal Government decided that the property of the Communist Party of Czechoslovakia [CPCZ] will be appropriated without compensation. This will be done after the adoption of a constitutional bill; the drafts of this will be submitted to the Federal Assembly immediately. The measure will concern the CPCZ property acquired at the expense of society before the enforcement of the legal measure of the parliament's presidium from 18 May of this year.

The Communist Party thus will be deprived of the property it acquired by unjust means and which—contrary to democratic principles—put it at an advantage over other political parties and movements. CTK obtained this information from the presidium of the federal government office.

Liberal Democrats Expelled From Deputies' Club

AU1010111190 Prague MLADA FRONTA DNES in Czech 5 Oct 90 p 2

[Unattributed report: "They Criticized and Left"]

[Text] Prague—In an interview granted to CTK correspondent Roman Gall, Bohumil Dolezal, one of the two Liberal Democratic Party Federal Assembly deputies, said: "At Wednesday's meeting of the Civic Forum Federal Assembly Deputies Club, I, together with my colleague Emanuel Mandier, chairman of the Liberal Democratic Party (LDS), were expelled from this club. The reason given for our expulsion was that our party, together with the Christian Democratic Party (KDS), issued the 'Declaration of the Right of Center Policy' containing criticism of the Civic Forum, and the decision of the two parties on permanent cooperation in realization of this declaration."

Vladimir Zelezny, press spokesman of the Civic Forum, commented on the interview saying, among other things: Since the June elections, both representatives of the LDS repeatedly dissociated themselves from Civic Forum policies. Even the joint statement on cooperation of the LDS and the KDS contained unfair criticism of Civic Forum policies. Hence, the reason for Wednesday's decision is based on a long-term development.

Parties Oppose Civic Forum Media 'Monopoly'

AU1010105390 Prague ZEMEDELSKE NOVINY in Czech 5 Oct 90 p 2

[CTK report: "They Do Not Want a Monopoly"]

[Text] Prague—Leading representatives from the Czechoslovak Social Democratic Party, the Movement for Self-Governing Democracy—Society for Moravia and Silesia, the Agrarian Party, the Green Party, and the Czechoslovak Socialist Party have expressed their considerable dissatisfaction at the Civic Forum's continuing monopoly on television and radio. As they informed CTK, at yesterday's consultative meeting in Prague's Lidovy Dum they came to the conclusion that in order to ensure a plurality of views, it is essential for the democratic political parties and the trade unions to have guaranteed regular access to and broadcasting time on radio and television.

Calfa Replies to NARODNA OBRODA Criticism

AU1010080090 Bratislava NARODNA OBRODA in Slovak 5 Oct 90 p 13

[Interview with CSFR Premier Marian Calfa, by Kosice Radio journalist Katarina Cintalova; place and date not given: "Marian Calfa on NARODNA OBRODA Articles: Is There No Intention?"—first paragraph is NARODNA OBRODA introduction]

[Text] In its "Good Morning" program, Kosice Radio carried an interview with Federal Premier Marian Calfa. Editor Katarina Cintalova asked him about his opinion on some articles in NARODNA OBRODA which were critical of some of his stands and decisions. Marian Calfa replied:

[Calfa] NARODNA OBRODA has done this several times already. Naturally, I also read NARODNA OBRODA and take a great interest in the articles of its editor Cibula. I consider his observations [about Premier Calfa expressed in the referent commentaries] to be absolutely unfounded. It is interesting that one continues to cling to the notion that, if a different opinion is expressed in Prague on how to arrange relations between the federation and the republics or between the republics and the federation, or between the two republics, this is immediately dismissed as being simply an endeavor to perpetuate Prague-centrism, that absolutely no one concedes the possibility that we too think, that we have a certain expertise and sum of information, that we too ponder issues and seek the best possible solution—not in order to perpetuate Prague-centrism but to go about all the changes that we make prudently, with foresight, and to make them with some perspective of well-being in both Slovakia and the Czech lands. It is absurd to assume that our every idea, deed, and conclusion is motivated by the endeavor to preserve the bureaucratic apparatus in Prague. In that case I too would have to ask how, in fact, the bureaucracy in the republics has changed. I personally believe that there was no difference between the Bratislava central bureaucracy and the Prague central bureaucracy—they both had the same style and used the same methods, operated according to the same principles and equally badly.

[Cintalova] But people say that only the Prague centralism is bad centralism, that the Bratislava centralism is not that bad....

[Calfa] As soon as I hear such a statement I know immediately that I need not comment on it because it is self-revealing. The problem is a more complex one, in my opinion, residing in the fact that the republics, and

the Slovak Republic in particular, were the first to define their ideas about the new arrangement of the republics and the federation. I personally believe that this is natural and correct and that someone always has to be the first. This is why I do not understand why it arouses irritation when the federation simply defines its positive ideas about this arrangement. I regard also this as something natural. Moreover, I do not know wherein my statements [at the 17 September Federal Assembly session, to which NARODNA OBRODA and Slovak Premier Meciar reacted] were controversial because, as I see it, that which we defined in a positive way is in complete accord with what the republics had formulated. I did not realize that this would cause any controversy.

Mr. Meciar reacted to this speech, in fact, only as far as the formulation of questions and disagreements in the area of transportation and communications was concerned. I must say that we have discussed this since then and have clarified our positions. I could have used a bit different formulation and he, too, could have used somewhat different words. It was simply a case of misunderstanding on both sides. The consensus between us is far bigger than the writing of some NARODNA OBRODA journalists would suggest. I must therefore clearly ask whether it is not intentional when these barbs continue without us providing any grounds for them.

Minister Outlines Privatization Program

AU1010081690 Prague SVOBODNE SLOVO in Czech 4 Oct 90 pp 1, 4

[Interview with Engineer Tomas Jezek, candidate of sciences, Czech Republic minister for the administration and privatization of national property, by Olga Skalkova and Martin Denemark; place and date not given: "With a Machete in the Jungle"—first paragraph is SVOBODNE SLOVO introduction]

[Text] "We are drafting the privatization program as we go along. I would compare it to walking in an unexplored terrain. From time to time we feel like people wielding a machete to cut through the jungle of problems. An example? The idea of a separate small privatization is only six weeks old. Before that we assumed that everything could be privatized all at once. This turned out to be impossible, however," Engineer Tomas Jezek, candidate of sciences, Czech Republic minister for the administration and privatization of national property, told us this at the outset of an interview.

[SVOBODNE SLOVO] What is the difference between small and big privatization?

[Jezek] Most people think that the difference lies in the size of property to be sold into private hands. Actually, the difference is not a quantitative but a qualitative one and involves various techniques of sale. Small privatization will involve property that stands a chance of being sold in an auction. In other words, the property can be fairly large, if a group of people can be found who will pool their resources to buy it. In the small privatization we want to find concrete owners for shops, wine bars, small businesses, etc. Big privatization will involve the transfer of property into private hands especially through coupons.

[SVOBODNE SLOVO] Right now the public takes interest mainly in small privatization. How will the price of the property to be auctioned off be determined?

[Jezek] I assume the average price to be very low. An enormous amount of property will be offered for sale in auctions. The bank estimates that the public will spend between 30 and 40 billion korunas on it. The total savings of the population amount to 300 billion korunas. There will naturally be significant differences. In exclusive locations the price will climb very high. On the other hand, in many cases one will have to settle for a price below the starting price. In the event of lack of interest, the price may drop to 50 percent of the starting price. If a business is not sold even for one-half of the starting price, it will go into the next round of the auction.

[SVOBODNE SLOVO] How will the starting price be determined?

[Jezek] The starting price will be equivalent to the remaining value [zustatkova hodnota] of buildings, machinery, and equipment, and it will also comprise the value of inventories and land. If we invited foreign experts to assess the true value of the property that is to be auctioned off, we would delay privatization by many months. We are interested in finding quickly better owners than the state, in building a strong private sector, and in embarking upon a market economy. The auctions will help us determine the true value of property.

[SVOBODNE SLOVO] Even a layman can imagine what small privatization will be like—commissions of experts will select property for auctions, where this property will find a new owner. The big privatization is far more complex, however. For some time now, arguments have been raging about the coupon method, which essentially means the even distribution of a part of state property to citizens. Has a final decision been made?

[Jezek] The draft transformation law, i.e. the bill on big privatization, is to be submitted to the governments by 15 October. The final wording of the bill has not yet been agreed upon, but there is consensus on the use of coupons. These coupons will be distributed to citizens, who will pay only an administrative fee for them. These coupons will entitle citizens to purchase the shares of enterprises according to their own choice. In this way we will at least partially get around the problem of dirty money and introduce something like justice for all. No decision has been reached as yet as to the proportion of state property that will be distributed by means of coupons.

[SVOBODNE SLOVO] Passionate debates have erupted over the preferment of current employees in the course

of the small privatization. Will employees be given preferential access to shares in the course of the big privatization?

[Jezek] Let me first return to the issue of the preferment of employees of small businesses. I consider the right to repay up to 50 percent of the price over a period of five years to be an exceptionally large preferment. And what about the objection about [most of these businesses being bought for] dirty money? Most probably, we will not be able to avoid some glaring cases of injustice. I am convinced, however, that the striking shop assistants are mostly egged on by people in the directorates who want to stay in power. The people who sit there are largely superfluous. They are trying to cause trouble also because, according to the draft law, they themselves cannot claim any preferential treatment. Only those who actually worked in the business in question will be given preferential treatment. As far as big privatization is concerned, a part of the property will be offered to employees in the form of employee stock ownership plans. Other parts will be set apart to compensate former owners, for sale to foreign capital, or to eliminate the company's debts.

[SVOBODNE SLOVO] When can we expect privatization to begin?

[Jezek] First of all we must carry out reprivatization, i.e., the restitution of a part of nationalized property to former owners. The public has been informed about the property restitution law, which mitigates some wrongs perpetrated during the nationalization wave of 1959 to 1961. We are now putting the finishing touches to another restitution law, the time limit of which is 25 February 1948. This law will also provide for the compensation of political prisoners and for indemnification under the labor law. Small privatization can start only after the passing of these two laws, so that no property is sold to which someone can lay a claim.

[SVOBODNE SLOVO] Who will decide which property will be auctioned off?

[Jezek] The property will be selected by district commissions. Our ministry will check their lists. I would like to warn communities which hope that they will be able to hide away some property from privatization and keep it. They will not succeed in that. Communities should not engage in business but merely create scope for business. They will be able to keep property only for the provision of nonprofit services.

[SVOBODNE SLOVO] The auctions will be closely watched by the public. How do you intend to ensure that they are conducted in a competent way?

[Jezek] There will, in fact, be three laws pertaining to small privatization. The general principles will be formulated in a law of the Federal Assembly while the specific procedures will be the content of Czech National Council and Slovak National Council laws. I signed the draft Czech National Council law on 1 October. The deputies promised to discuss it as early as possible. Still in October, we shall explain privatization in detail to district representatives, for whom we shall prepare a detailed "manual" on how to proceed. We will have to pay much attention to the composition of the district commissions. Under the draft law, they should comprise representatives of district national committees, entrepreneurs, the Union of Towns and Communities, and trade unions. Members of the commissions will be proposed by district national committees but appointed by our ministry.

[SVOBODNE SLOVO] Let us now return to the issue of when privatization will actually start....

[Jezek] I hope that small privatization will start in November. We want it to take place as quickly as possible and hope that it will be wound up soon. Big privatization will definitely not start on 1 January. It is most likely to start in the course of the first three months of next year.

Defense Minister Explains Situation in Army

AU0910144790 Prague RUDE PRAVO in Czech 4 Oct 90 p 5

[Marie Koenigova report: "The Military Doctrine Does Not Concern Just Generals; Federal Assembly Deputies on the Situation in the Czechoslovak Army"]

[Text] Prague (from our correspondent)—More than 9,700 officers, warrant officers, and generals have left the Army, or have retired, since 17 November [1989]. More than 14,000 already serving conscripts have made use of the law on alternative military service. As M. Vacek, minister of national defense, went on to say at the Wednesday [3 October] meeting of the Federal Assembly's Defense and Security Committees, the Army is now short of 40,000 soldiers on account of these departures and exemptions from duty. Only 75.5 percent of positions in corps of commanders are filled.

The overall level of the troops's combat readiness and the standard of training have declined as a result. In spite of this, the Army has maintained discipline and the ability to act and has served as a stabilizing factor in some moments, he said.

In the course of the Wednesday meeting, M. Vacek twice offered to resign. "I am minister because I have been asked to execute this function. It is not my aim to hamper the process of democratization until someone dismisses me." He went on to say that he himself feels that his term of office is limited and that, should someone decide that he should go, he will bow to this decision in a disciplined way.

In connection with the planned transformation of military counterintelligence into an army security service with two components—military defense intelligence and military police—he said that the sovereignty of the republic must be preventively safeguarded against

everyone. "I could show you from my point of view what the so-called Western intelligence services are doing, but also how the KGB is getting more active."

Most departures from the corps of commanders concerned young career soldiers. The fact is, however, that the number of applications for readmission is growing. They will not be accommodated, however.

The Army's political apparatus consisted of 3,164 people. Some of them left immediately [after 17 November 1989]. A total of 1,523 career soldiers who used to work in this apparatus continue to serve in the Army in various positions. M. Vacek conceded that their use in the Army's educational and cultural apparatus is not the most fortunate solution. Almost 5,000 people have been evaluated in the first stage of competence checks [atestace] of career soldiers; in 20 percent of all cases a proposal has been made for "personnel measures."

M. Vacek also responded to the criticism of the Czechoslovak military doctrine, which has been submitted to parliament: "We invited political parties and movements to cooperate in the drafting of the doctrine, but they did not accept our invitation. I am convinced that the doctrine must not be only a concern of the Army. It goes beyond its powers."

Asked about the severance pay of career soldiers, he said that a departing soldier can now get between one and six "gross" [monthly] salaries. The maximum severance pay, payable to a deputy minister of defense with the rank of a general, would be 84,000 korunas. "If I left now, I would receive, in addition to my ministerial salary of 12,000 korunas, 36,000 korunas in severance pay," he remarked. "I find it a bit embarrassing—after so many years of quoting Marx and Engels—to refer to Father Masaryk and his attitude to the Army. But you should know that during the first republic a departing officer could get up to 24 [monthly] salaries in severance pay."

Czech Premier Interviewed on Politics, Federation

LD1010080290 Prague Domestic Service in Czech 1801 GMT 9 Oct 90

[Interview with Czech Premier Petr Pithart by unidentified correspondent; place and date not given—live or recorded]

[Text] [Announcer] As always on Tuesdays, we are meeting again with Czech Premier Petr Pithart. Today he will talk about Czech politics, about the federation, and about censorship on Czechoslovak radio:

[Correspondent] Mr. Premier, sometimes you speak about Czech statement, Czech politics, and so on. The combination of these words seems unusual to many people. Could you explain to the listeners what is the Czech-ness of Czech politics?

[Pithart] I cannot respond to this proposal in any other way than by reflecting on this topic, if you allow me. It will probably not be very reassuring, but I will try to make it realistic.

Our Czech-ness has somewhat slipped our memory in the past decades. But I am convinced that it is still present. There is, after all a thousand-year-long Czech history and there is, of course, the Czech nation. At one period it seemed as if it was about to vanish, but it revived. This nation has its own weaknesses and its wrongs as has any other nation, but it has also its own distinctiveness and, I am convinced, also even some virtues. There are also its accomplishments, which form a line of greater continuity than does its political existence. It is precisely this accomplishment of our fathers that I regard—and I speak for myself now—as an encouragement and as a cue. I simply do not wish it to stop. And if these accomplishments were hampered or distorted in some way, I would like to contribute to mending it. I simply would like to go on.

I do not know how many people experience similar feelings, but I believe that they exist and that they are far from being exceptional.

I therefore consider that the main guideline of Czech politics is the quest for ways to renew the Czech-ness, or as I could say, emotionally to heal its wounds although many of them were self-inflicted. In the government statement submitted to the Czech National Council I spoke about the chance of completing our national renaissance on all levels of public life.

What I am talking about now concerns Czech domestic policy, or its internal life. But the Czech nation is facing the task of presenting itself to the outside world, too, of getting a good feel of its place in Europe and to find its own stand on Europe.

In connection with the oil crisis I spoke about the need to be prepared for all possibilities, including the possibility that no oil will be arriving here for a while. A politician must simply take into account everything. And this applies to the Czech existence and Czech politics in the world.

We are conducting a dialogue with the Slovaks about the future shape of a common federation. The Slovaks are developing more initiative, because they have more objections to the present federation. Many are well-founded and I am therefore trying to meet them halfway. But what about if the movement of Slovak society brings bout the extinction of the common state? We must be prepared for this possibility, too. We would have to face this situation no longer as Czechoslovaks but as Czechs. And as Czechs we must therefore devote our attention to our position in Europe and to relations with our neighbors.

We must not remain isolated. We must seek optimal ways of cooperation.

So, this Czech-ness of Czech policy about which you have asked does not rest on putting forward realistic, that is, nonutopian ready-made programs. We would be untruthful to ourselves if we asserted that we have some such programs. At present, the Czech-ness of Czech policy rests on seeking and renewing. This is because the substance of Czech-ness has become obscured. After all, your question bear witness to the fact that at present we are receiving Czech-ness with a question mark. It is therefore necessary to explain it. We must agree on the direction along which we want to proceed. I myself believe that the road to our goal leads from below. First, it is necessary to recover our lost respect for such fundamental matters as home, community, region, and land. If we succeed in this we shall recreate from these basic foundations stones our homeland—the democratic republic of the Czechs, Moravians, and Silesians.

Therefore, as regards the content of Czech policy, I have been talking so far about its basic directions and general outlines. If I have in mind the Czech political style and the form of our political efforts, then I hope to talk with greater certainty.

Let us recall or position, a position of a small nation in the middle of Europe. For centuries we have been exposed to various influences. They came from all sides and only on few occasions did they give us an opportunity to launch our own initiative. What, however, did they nurture in us? The art of being able to come to terms with this or that. They all have made some mark on us but—and this I would like to stress—we have not become lost in them. Somewhere within ourselves we have the ability not to be absorbed. You know that the Czech lack of ostentation, matter-of-factness, soberness, pragmatic nature, ability to improvize immediately—all of these are characteristics which in extreme situations function as our virtue. It is hard to imagine that we should succumb to some kind of a new utopia, for instance nationalism. In this we are perhaps better off than the Slovaks. Or to some kind of next totalitarianism. This is already behind us. Our inclination to question things, to scepticism makes the repetition of such a thing not very probable.

I think that sometimes we tend to forget this or that. On the contrary, we sometimes exaggerate it somewhat but if we are going to nurture and maintain these features within acceptable parameters this could create a good basis for the future style of a realistic Czech policy.

[Correspondent] Mr. Premier, we have recently had a merry-go-round of meetings of the three governments—that is, Czech, Slovak, and Federal. At these meetings the future structure of Czechoslovakia in its federal form is discussed. The Moravians criticize you for putting together the Czech and Moravian policy and others say that you fight for Bohemian policy with the federal weapon.

[Pithart] As you ask directly I shall tell you that I naturally consider other possibilities as well which have so far been hardly mentioned—and if they have been mentioned it is mostly in Moravia—and which I find close to my heart. It is perhaps too early a thought, perhaps too idealistic. You know, if we were able to create a three member federation, that is, a federation which would be not based purely on the criterion of nationality, I think we would approach much more closely the civilized Europe which is our aim. On the other hand, if we insist on this one only criterion which is the key to our membership of the federation—that is, nationality—then I am afraid we are coming further from Europe. A three-member federation would have an added advantage that a majority could be created there and that we could avoid those eternal [word indistinct] situations that arise in every two- member federation.

This type of structure, however, depends to a great extent on the goodwill of our friends in Slovakia because they would have to recognize that the third one—in this case it would be Moravia, the Moravian-Silesian republic—would not be based on the principle of nationality like the Slovak republic but it would be dominated by the civic principle [obcansky princip] as a common denominator, which is the base of complicated state units in the West where we cannot speak about federal states of nationalities. Federations there are based on various principles, historical, sometimes true national, but elsewhere [words indistinct]. Simply, it is the sum of various criteria which are used for the formation of a federation. And I think this is Europe in the real sense of the word.

So the best thing would be not to see the future federation through the current federal view but as an agreement between its subjects. And mainly, not to see it as something which is given by fate, by the nationality of its citizens but to see the civic criterion as the first and that of the nationality as the second because, I repeat, in this above all it is Europe. Otherwise it would still be a battlefield.

[Correspondent] Our meeting today could almost concentrate on one topic only as it could concern only Czech policy. However, I have brought you a statement by a group of staff members of the radio who point out to the radio audience the experience of radio announcer Milan (Bouska) during the broadcast of the "Radio Forum" program on 8 October [as heard] 1990. I would first like to explain to our listeners what happened. I quote Mr. (Bouska) himself:

For the Sunday broadcast of "Radio Forum" on 8 October I prepared, together with Dr. Musilek, a program on the founding congress of the Club of Involved Nonparty Members. In the afternoon, before putting the program together, I was told by the editor in chief of the main current affairs editorial office, Jiri (Kmoch) to show him the prepared material for assessment. When he heard it I was told that I should cut out a part related to criticism of Dr. Petr Pithart, Czech premier, and if I did not like it I should resign and I would certainly be allowed to go.

The letter continues, but we do not need to quote any more? I would like to ask you what is your view on censorship and on a certain state policy line which radio should follow?

[Pithart] Listen, if what Mr. (Bouska) writes is true, then it means that radio is not all right. Thank you very much for such protection. I am, naturally, prepared to face all criticism and attacks including personal attacks and I definitely never wish for protection by cutting out criticism against me. It is a good thing that you have brought this letter here and I am glad that we have decided to read it here and now. Mr. (Bouska) and Mr. (Kmoch) have to settle their differences themselves. For myself, I declare that I am against any such interference and this is my message to the members of the Club of Involved Nonparty Members. In this I naturally side with them.

Czech Republic Oil Production Figures Reported

AU1010093790

[Editorial Report] Prague MLADA FRONTA DNES in Czech on 5 October on page 7 carries a 500-word interview with Engineer Rostislav Krapl, deputy director of the Moravian Oil Fields enterprise, by Karel Hvizdala entitled "There Are Dollars To Be Recovered Near Kyjov." The interview, the place and date of which are not given, deals with oil production in the Czech Republic.

Krapl says that the Czech oil industry produces about 45,000 tonnes of high quality crude oil a year, for which it now receives about $9.80 per barrel (although crude oil of the same quality fetches $40 on the world market). Krapl admits that this is an insignificant amount, given Czechoslovakia's annual consumption of 15 million tonnes. Asked whether crude oil extraction could be increased, Krapl says that his enterprise has surveyed two new deposits—Zdanice and Uhrice—which "could help increase our output by 20,000 tonnes next year and, later on, increase it twofold." He notes, however, that his enterprise would need 140 million korunas to develop these oil fields, an amount which no Czechoslovak bank is willing to lend without a state guarantee. The Federal Ministry of Finance has reportedly refused to guarantee this credit, pointing out that the enterprise will be able to charge world prices for its oil next year and should therefore be sufficiently liquid. As Krapl observes, if the Moravian oil fields enterprise obtained the credit, Czechoslovakia would spend $6 million less on oil imports next year.

Slovak Official Criticizes Federal Institutions

AU1010084390 Bratislava NARODNA OBRODA in Slovak 4 Oct 90 p 2

[Statement by Engineer Lubomir Dolgos, commissioner of the Slovak Republic Government: "Federal Interest or Interest of Federal Institutions?"]

[Text] At their meeting at Trencianske Teplice, the three governments agreed, among other things, that a demonopolization commission would be established to deal with the issue of the division of powers [between the federation and the republics] in the area of demonopolization policy. It was to be a tripartite commission, made up of three representatives of the Czech and Slovak Republics and two representatives of the Federal Government.

At its very first meeting the commission agreed that the enactment of the antimonopoly policy would be within the jurisdiction of the republics and would not be delegated to the Federal Government. At its 20 September session, the CSFR Government assessed the results of the commissions' work. At a news conference after the government session, Pavel Hoffmann, CSFR minister for strategic planning, included our commission among those that had not come to an agreement. It is an enigma for us on which basis the federal bodies determined that we had not come to an agreement when, and I repeat this, the opposite is the case. The conclusions reached by the commission have been projected into the draft law on economic competition (antimonopoly law). At the 28 September meeting of the CSFR Economic Council we received confirmation of the Federal bodies' failure to comprehend the situation—at this meeting they "enriched" the draft law with the variant of a strong federal antimonopoly body.

I am asking why, in a situation when we must speed up economic reform, the Federal Government is doing all it can to negate an already concluded agreement?! By taking over [the republics'] powers and centralizing the decisionmaking authority, it calls into question many of the Slovak and Czech governments' efforts. One should ponder whose interests it represents.

Differences Over New Constitution Viewed

AU0910215290 Bratislava VEREJNOST in Slovak 3 Oct 90 p 2

["skl"-signed commentary: "Have a Nice Trip to Prague"]

[Text] A 10-member Slovak National Council commission, which will participate in work on the draft federal Constitution, left for Prague today. What is in store for them there? Long and difficult talks. Many of my friends in Bohemia think in a different way from us in Slovakia. We think in Slovak dimensions, they think in federal dimensions. We fight for our national statehood and we cannot waive our demand for the establishment of an economically strong and institutionally arranged Slovak Republic within the CSFR. The national Constitution will be the basis for this republic. The Czech and Slovak Republics, as two sovereign national republics, will decide how much authority they will cede to the organs of the federation. This is our point of view, a justified point of view that was agreed upon in Trencianske Teplice.

Sometimes it is also surprising that competent people, who have responsible positions, can barely understand and accept our viewpoint. They stress the sovereignty of the federation (yes, the federation will be sovereign, but with respect to foreign countries), yet the republics will be sovereign internally and the federation will only represent a strong and safe roof over them.

At the Slovak National Council's plenary meeting on Monday [1 October], Frantisek Miklosko, Slovak National Council chairman, indicated what the looming differences on this issue might be. He informed the plenary meeting about the talks held by the Czechoslovak representative organs in Svratka. They held talks about adopting a charter on human rights, which has to be a basic element of a modern democratic constitution. "Federally" thinking deputies defended the opinion that it would be enough if this charter were anchored in the federal Constitution. The Czech National Council representatives were also inclined to adopt this viewpoint and it seems that they also think "federally." However, the representatives of the Slovak National Council insisted, and still insist, that the Charter on Human Rights become a basic element of our Slovak Constitution as well. Slovak National Council deputies adopted this standpoint spontaneously and completed it with some remarks. They emphasized that the Charter on Human Rights and Freedoms is not some sort of a gift from above, but that it will be enacted by the Slovak parliament in the name of the nation. That is, the first step toward cooperation in work on the constitutional documents has begun with differences. Let us believe that in the future the "federally" thinking deputies will have more respect for the national interests of the republics. They have yet to solve the serious issue about the right of a nation to secede from the federal union. If the Constitution is to be democratic, then this right must also be enacted in it. The first reactions to the solution to this problem indicate that on the Czech side, unfortunately, they see it through "federal" eyes. It seems that in order to solve this issue, the Slovak parliamentary representatives will have to demonstrate their skills and patience.

Slovak Politicians' Attitude Seen as 'Swaggering'

AU0910174990 Prague LIDOVE NOVINY in Czech 6 Oct 90 p 1

[Petr Liska commentary: "Modern Peasant Swaggerers"]

[Excerpts] The play "Our Peasant Swaggerers" is Czech through and through as are the author [Josef Kajetan Tyl] and the characters. It is the portrayal of a backward 19th century village. To date, swaggering has stopped at the branch of the tree overhanging the neighbor's fence. In the past, swaggerers did not get into parliament(s).

Monday's [1 October] interpellation involving Slovak National Council [SNR] deputies was, however, swaggering on a higher level. They were amazed that the Federal Ministry of Foreign Affairs did not arrange for the Brazilian president to visit their little neck of the woods. At the same time, they had forgotten that his visit did not even last 24 hours; he flew directly from New York so that he could continue on to Brazilia the next day. They also forgot that this was his first visit to Europe and that a head of state visits a head of state. Even if we leave out all these "extenuating" circumstances, the most fundamental fact remains: The modern peasant swaggerers want to tell the guest whom he will visit. [passage omitted]

"The Brazilian guest is in the CSFR and he is obliged to visit Slovakia." Would it not be wiser to think about whom the guest wants to visit and why!? It is simpler for a peasant swaggerer to insist that the mountain must come to Muhammad and not the other way round. Understandably, the peasant swaggerer determines who is the mountain and who is Muhammad!

If other federal states behaved the same way as the CSFR, there would be no international relations. No head of state would be willing to visit the SFRY (Yugoslavia) if he was obliged to make a tour of all six (eight) of the republic's capital cities. We took a Czech child and a Slovak child to the New York summit. Of course, the British Prime Minister did not bring Scottish, English, Welsh, and Northern Irish children with her, to say nothing of representatives from the autonomous Isle of Man and the islands of Jersey and Guernsey. Or, what if the American President had been surrounded by a group of 50 schoolchildren? In their countries, perhaps, there have never been peasant swaggerers; they have not died out in the Czech lands, but they have stopped at the neighbor's fence, while in Bratislava they have seated themselves in legislative bodies and in the government. On account of the overhanging branch, the Czech peasant swaggerer wasted money on litigation. That was his business. However, the peasant swaggerers in the SNR are threatening the whole nation and state.

All of this is happening at a time when EC countries are issuing new passports with a text on the cover. Let us cite the Italian example: "Communita Europea" and UNDERNEATH "Repubblica Italiana" in letters that are no bigger. Children and young people are receiving these passports as their first passports. First and foremost, they are being brought up as EUROPEANS.

Recently, someone wrote that we have to choose whether we want to go to Strasbourg or Sarajevo. Because I have good friends in Slovakia and because I have met many hospitable people there, I believe that even in Slovakia the overwhelming majority is in favor of Strasbourg. I appeal, then, to the still silent majority to make their views known loudly enough and not to allow their state to be carried away in another direction.

65,000 Slovak Private Entrepreneurs Registered

AU0910153290 Bratislava PRAVDA in Slovak 3 Oct 90 p 2

["(TR)"-signed report: "A Private Entrepreneur in 45 Minutes?"]

[Text] Bratislava—Approximately 65,000 private entrepreneurs have, so far, registered in Slovakia—mostly in the trade and services sectors. In connection with small-scale privatization, an increase of another 25,000 is expected. According to reports from yesterday's news conference with Dusan Paulen, director of the private enterprise department at the Slovak Interior Ministry, as of 1 January 1991 independent business sections will be established at 57 state administration district offices (from an overall number of 123). They will be selected in such a way to ensure that those interested in private enterprise will not have to travel for more than 45 minutes to reach the office. Specialist staff—lawyers, technicians, and economists—who have transferred here from the national committees will register private entrepreneurs, supervise adherence to the conditions of registration, and provide thorough and basic legal and economic information about private enterprise. Appeals against decisions made by lower level offices will be dealt with by legal units at seven district offices (from an overall number of 37): in Bratislava, Nitra, Zilina, Banska Bystrica, Poprada, Kosice, and Presov. However, in the Czech Republic the Interior Ministry will be the appeal organ.

Slovak Farmers Not Interested in Private Farming

AU1010125990 Prague CTK in English 1237 GMT 8 Oct 90

[Text] Bratislava Oct 8 (CTK)—Slovak Minister of Agriculture Michal Dzatko said today that a total of 8,571 applications for land have been handed in in Slovakia so far but most applicants are interested not in creating private farms but in self-supporting economy.

At a press conference Dzatko said the economic reform had a Slovak variant, as the production potential of land in Slovakia was of a lower value than in the Czech Republic, the bigger of the two republics constituting the Czechoslovak Federation. He said there was a difference in subsidies. For next year Slovakia counts on subsidies to the value of 10,800 million korunas, earmarked for specific purposes.

Dzatko said that de-monopolization has been going on successfully in food enterprises, with 80 new state enterprises being set up.

Spokesman Briefing on Oil, Saudi Ties, Visitors

LD0910173790 Prague CTK in English 1342 GMT 9 Oct 90

[Text] Prague Oct 9 (CTK)—Press secretary of the Czechoslovak president, Michael Zantovsky, said at a briefing here today that the Soviet Union will supply to Czechslovakia over nine million tonnes of oil this year.

Under a bilateral agreement of the beginning of this year, the Soviet Union was to deliver to Czechoslovakia a total of 16.6 million tonnes. In consequence of the dwindling supplies, rising prices of oil in world markets, and the trade embargo which has been imposed on Iraq and which has been applied also by Czechoslvoakia, the country had to introduce a one-third price increase for oil purchases above 25 litres last Saturday. President Vaclav Havel and Premier Marian Calfa asked last week for a meeting with their Soviet counterparts, Mikhail Gorbachev and Nikolay Ryzhkov, to deal with Soviet supplies.

According to Soviet Ambassador to Czechoslovakia Boris Pankin, the Soviet side is thoroughly studying the Czechoslovak request and fulfillment of contractual supplies of oil, and President Gorbachev must prepare well for possible talks, Michael Zantovsky said. He added that the ambassador had promised that the necessary technological minimum, i.e. some 33,000 tonnes of oil daily, will be ensured by Soviet suppliers in October. The Czechoslovak side has not yet withdrawn the request for a mee ing.

According to the press spokesman, talks on establishment of Czechoslovak-Saudi diplomatic relations "are proceeding without any problems." In connection with the possible dispatch of a Czechoslvoak Army unit of medical and antichemical warfare experts to Saudi Arabia, Mr. Zantovsky said that Czechoslovakia has not yet received "any new signals." The 200-men unit would be sent to the Gulf area only on the basis of an invitation from Saudi Arabia.

On the Civic Forum (of) Political Movement's current search for its identity, Michael Zantovsky said that "the castle would certainly welcome if it made its role more transparent and if it shaped its profile and structure more definitely", but added that it must do so by itself.

Commenting on the appearance of Czechoslovakia Communist Party Chairman Vasil Mohorita at a session of the Central Committee of the Communist Party of Bohemia and Moravia on Sunday, Michael Zantovsky described it as "very startling." Vasil Mohorita said that "national understanding is over and a hard and uncompromising struggle beings" [as received] and called for resumption of the activity of communist organizations at enterprises. Michael Zantovsky said these words are inappropriate and described "the vocabulary used as one from the period of totalitarianism." The best reply to Mohorita's speech will be the unequivocal results of the municipal elections due in Czechoslovakia on November 24, Michael Zantovsky said.

Referring to the current moods among the Czechoslovak population (polls have shown a certain decline in the public's trust in major political institutions and state bodies), the press secretary said that "this is natural at a time of growing economic difficulties, a period of a

certain oil crisis. Similar phenomena have appeared in any other country. But alarming is the marked decrease in citizens' will to commit themselves in public life."

Replying to a question whether Czechoslvoak Presient Vaclav Havel will visit also other Asian countries when he goes to the enthronement ceremony of the Japanese emperor, Mr. Zantovsky said that "neither the office of the president of the republic nor any other official body has announced that the Czechoslovak president will attend the enthronement of the Japanese emperor."

Commenting on yesterday's sharp Israeli-Palestinian clashes in the occupied Arab territories which claimed over 20 lives, Michael Zantovsky said they are "very sad" events.

Briefing journalists on the Czechoslovak president's program on the days ahead, Mr. Zantovsky said that on Thursday October 11 he will receive Luxembourg Foreign Minister Georges Wohlfart. In this connection, the press secretary recalled that Luxembourg will next year chair the European Communities with which Czechoslovakia would like to conclude an association agreement.

On Friday October 12, Vaclav Havel will receive International Monetary Fund Managing Director Michel Camdessus. Tomorrow, he will meet in Czeslaw Milosz, Polish poet and nobel laureate in literature, Mr. Zantovsky said.

Delegation in Tehran To Purchase Iranian Oil

LD1010111190 Prague Domestic Service in Czech 0930 GMT 10 Oct 90

[Text] A Czechoslovak delegation headed by (Jan Polerta), deputy minister of foreign trade, has been discussing the purchase of Iranian oil in Tehran. A considerable increase in deliveries is being considered, as well as the possibility of entering into a long-term agreement on the purchase of a minimum quantity of 5 million tonnes of Iranian oil a year. At the same time a commitment from the Iranians has successfully been obtained for the delivery of 400,000 tonnes of oil during the last quarter of this year. The export of our engineering products and investment complexes should secure the finance for future deliveries of Iranian oil.

Meciar, Miklosko's Absence at Dinner Defended

AU0910200390 Prague LIDOVE NOVINY in Czech 3 Oct 90 p 2

["(IJ)"-signed report: "Frantisek Miklosko Defends Himself"]

[Text] In connection with the statement made by Michael Zantovsky, the president's press spokesman, in which he referred to the nonparticipation of Slovak Premier Vladimir Meciar and Frantisek Miklosko, chairman of the Slovak National Council, at a dinner hosted by President Vaclav Havel in honor of President Fernando Collor of Brazil, Frantisek Miklosko said the following:

"We were really informed that the Brazilian president could not remain in the CSFR longer than one day. Of course, a different timetable was later published in the press. We expected that, as the two most senior Slovak Republic representatives, we would have an opportunity in Prague to at least hold a half-hour uninterrupted meeting with Fernando Collor. We did not consider the gala dinner, which would be attended by more than 100 people, to be a suitable environment for our intended exchange of views. We were not given an opportunity to meet with the Brazilian president. Therefore, we did not go to Prague; however, we did apologize for our nonparticipation through the National Council and government office. Mr. Zantovsky is mistaken. His statement that we are damaging the CSFR's international reputation and are weakening trust in our declarations about a genuine federation may be applied equally as well the other way around—about the Office of the President of the Republic."

Michael Zantovsky, the president's press spokesman, gave us his opinion about the point of view expressed by Frantisek Miklosko, Slovak National Council chairman:

"The Office of the President of the Republic has received no official apology either from Slovak Premier V. Meciar or from V. Miklosko, Slovak National Council chairman, in connection with the dinner hosted by President Vaclav Havel in honor of President Fernando Collor of Brazil. No competent Slovak official has contacted either the director of the secretariat and protocol or Chancellor Schwarzenberg. In addition, it has been ascertained that the Slovak premier's Prague secretary telephoned staff at the Office of the President of the Republic on Monday [1 October] afternoon and said that 'Mr. Meciar will not come to the dinner because he does not have time.' This telephone call cannot be regarded as an apology to the president of the Republic."

Slovak Behavior International Embarrassment

AU1010075790 Prague MLADA FRONTA DNES in Czech 3 Oct 90 p 2

[Marcela Pechackova commentary: "Social Convention Slovak Style"]

[Text] Let us start with a banal piece of information: The capital city of the Czech and Slovak Federative Republic is Prague. The head of state, the president of the Republic, also resides here. Elementary school children are taught these facts. Of course, some of our citizens—it seems—do not know them.

Now, let us get down to business. On Monday [1 October] evening Messrs. Meciar and Miklosko declared in the Slovak National Council that they feel deceived by Prague Castle. Why? The visit made by the Brazilian President Fernando Collor was not, apparently, just for

one day—as had been announced in advance—but was for two days. The Slovak premier and the chairman of the Slovak National Council are of the opinion that President Fernando Collor should have visited the Slovak Republic. Because he did not do so, they refused to participate in a gala dinner held in our guest's honor in Prague Castle, a dinner to which they had been invited by President Vaclav Havel. They did exactly what they said they would do. Without even apologizing, they did not attend the dinner.

Here are some of the precise details: President Fernando Collor arrived on Monday evening at the invitation of President Vaclav Havel. A ceremonial welcome ceremony took place in Prague Castle at 1915. On Tuesday [2 October] at 1550, President Fernando Collor bade his farewells in Prague Castle and at 1630 the Brazilian head of state departed from Czechoslovakia. The official visit had lasted 22 hours; it is true that it took place over two days, and not over one.

During another official visit—the one made by Francois Mitterrand—Milan Knazko, Slovak minister for foreign relations, said at Bratislava Airport shortly after a compromise had been reached (President Mitterrand should have received the most senior Slovak representatives in his hotel suite, but the Slovak hosts wanted to receive the French president in Bratislava Castle—they finally met in the Slovak National Council) that the next time everything must be arranged with Prague Castle. We did not have long to wait.

Slovak-Czech, or rather Slovak-Czechoslovak, disputes are beginning to acquire a certain virulence. For example, in view of this virulence, President Vaclav Havel was the only head of state to take two children to the Children's Summit in New York: a Czech boy and a Slovak girl. All the other representatives—of often multinational states—brought only one child with them. Why did the president do this? To ensure that there was peace? So that he did not offend anyone? Of course, our president was not granted special status at the United Nations; only one child was allowed to accompany him. Apparently, it was neither of the children he took with him from Prague.

The whims and willfulness demonstrated by some Slovak politicians on Tuesday were an affront to the president of the largest South American republic. I believe they were also an affront to the majority of Czech and Slovak citizens.

Antall Attends UK Conservative Party Conference

LD1110101690 Budapest Domestic Service in Hungarian 0500 GMT 11 Oct 90

[Text] The Hungarian head of government is going to be the highest ranking foreign guest at the party conference of the British Conservative Party which is beginning today [sentence as received]. This is the first time that central and eastern European politicians have been invited.

Jozsef Antall, accompanied by Laszlo Surjan and Gabor Roszik, will meet representatives of the press and Conservative Party Chairman Baker. In the evening he is to attend a dinner to be given by the British foreign secretary in honor of the invited guests.

Further on UK Visit

LD1110142690 Budapest MTI in English 1033 GMT 11 Oct 90

[Text] Budapest, October 11 (MTI)—Jozsef Antall, president of the Hungarian Democratic Forum (HDF) [MDF] and prime minister, left on Thursday [11 October] morning for the conference of the British Conservative Party. The Hungarian politician is to attend and address the conference in Bournemouth at the invitation of Prime Minister Margaret Thatcher.

On Friday, Antall is to leave Britain for an official visit to the Netherlands at the invitation of Prime Minister Rudd Lubbers. The party president and prime minister will attend a symposium on the 10th anniversary of the Dutch Christian Democratic Party on Saturday.

The prime minister is accompanied by Laszlo Surjan, president of the Christian Democratic People's Party (CDPP) [KDNP] and minister of public welfare, and clergyman Gabor Roszik, Hungarian MP of the Democratic Forum.

On Friday, Surjan is to join a six-member CDPP delegation attending the jubilee congress of the Dutch party. Surjan will address the congress as well.

Antall Addresses British Congress

LD1110192390 Budapest Domestic Service in Hungarian 1800 GMT 11 Oct 90

[Text] Even recently, the Hungarian prime minister would have considered it inconceivable for a Hungarian leader to speak at the congress of the British Conservative Party. In his speech, Jozsef Antall said that communism has come to an end in Hungary, and that Hungary has returned to the community of European peoples. The prime minister praised the role of the British Conservative Party and its leaders in helping the process of democratization to get underway in Eastern and Central Europe. The prime minister noted the importance of his fourth meeting with Prime Minister Thatcher this year. As regular consultations, the meetings create a good opportunity for an analysis of world political events.

Further on Address to Congress

LD1110235990 Budapest Domestic Service in Hungarian 2100 GMT 11 Oct 90

[Text] Jozsef Antall's speech was given a standing ovation by the participants at the British Conservative Party conference. The Hungarian prime minister then took part in a meeting of the conservative Party's Euro-group and the Conservative Women's European Union, which he also addressed.

Jozsef Antall and the members of the Hungarian Government delegation will travel to the Netherlands on 12 October.

Hungary, in the wake of European integration, also wants to accept the Atlantic concept, emphasized Jozsef Antall at a meeting after this speech delivered at the national conference of the Conservative Party. The Hungarian prime minister stated that Hungary wants to establish closer relations with NATO. He also affirmed that Budapest will accept all of the commitments which are concomitant with membership in the European Community, if Hungary is admitted as a member of the Western European organization. Jozsef Antall also said that the countries of the Eastern Europe must recover economically, because poverty might constitute the danger of a social explosion not only in the East, but also in the West, because the unemployed would pour over into Western Europe. Forty percent of Hungary's foreign debts stem from Japanese loans, and 40 percent stem from German loans, the Hungarian prime minister added.

Addresses Pro-European Groups

LD1210133390 Budapest MTI in English 1045 GMT 12 Oct 90

[Text] Bournemouth, October 11 (MTI)—Hungarian Prime Minister Jozsef Antall on Thursday addressed the fringe meeting held parallel to the national conference of the British Conservative Party. The fringe meeting is organized by the Conservative Party's Euro-group, and the European Union of Conservative Women.

The Hungarian prime minister, who attended the national conference of the Conservative Party, said that as prime minister of Hungary, he had been the first to propose the dissolution of the Warsaw Treaty's military organization, at the session in Moscow. Today, it is conceivable that the Soviet leadership will, on its own, reach the conclusion of having to dissolve the Warsaw Treaty.

Hungary is not coming to Europe empty-handed, we have done something in the interest of emancipating Europe, Mr Antall continued. Together with you, we have also contributed to preventing Europe from ever being divided again.

Hungary accepts [words indistinct] membership of the European Community, [words indistinct] he said. "We

wish to come into closer contact with NATO, too. Alongside European integration, we also profess to share the Atlantic thinking."

The prime minister firmly called attention to the fact that the entire Central-Eastern European region is in a serious situation from the economic point of view. He noted it is very important that no vacuum come about after the Soviet withdrawal. It is also important that all leading European countries be present in the economic life of this region. Mr Antall recalled that the greater part of the western investments in the region are concentrated in Hungary at present, however, half of these are American investments. Hungary owes 40 per cent of its foreign debt, which totals 20,000 million dollars, to Japan, and 40 per cent to Germany, Mr Antall said.

"You can see from this how important the presence of Great Britain, France and Italy are in implementing European integration. Europe and the West should never commit the error again of [words indistinct] to come under a one-sided influence," the prime minister noted.

Decision To Send Troops To Gulf Postponed

LD1010140490 Budapest Domestic Service in Hungarian 1300 GMT 10 Oct 90

[Text] The Defense Committee proposes that a decision should be made later on whether Hungary should send an armed formation of volunteers to the Gulf region. The committee regarded Bela Kiraly's proposal as important; however, it took the view that a final decision should be made only after consultations with the Foreign Affairs Committee and officials of the foreign and defense portfolios. The Hungarian formation of volunteers would join a UN unit.

Current Status of Oil Prices, Shipments Examined

AU1110141490 Budapest NEPSZABADSAG in Hungarian 4 Oct 90 p 5

["(R.Z's)" -signed report: "Oil Prices Are Decreasing"]

[Text] Prices on the oil market last week were above $40 per barrel, but they have dropped considerably in the last few days. Yesterday, a barrel of oil was quoted at approximately $34 to $35 for deliveries in November, and at $32 for deliveries in December. According to experts, it is unlikely that prices will fall below $30 in the near future, because even Western Europe and the United States have begun tapping their reserves. This is planned to last from 90 to 150 days, and will have to be replaced sooner or later. Nevertheless, if war does break out in the Gulf, then oil prices may shoot up to $60 per barrel.

At the moment, optimists—including Hungary—are in the majority. Mrs. Karoly Solti, head of a department at the National Oil and Gas Industry Trust, informed us that Hungary had placed oil orders, and that five ships would arrive in our ports by mid-November carrying 450,000 tonnes of oil. One of these ships is already on its way, but the other four may be positively affected by the current price reduction. It is common knowledge that we will be receiving 1 million tonnes fewer raw material than usual through the Friendship Pipeline from the Soviet Union this year—that is, 550,000 tonnes less than the amount stipulated in our contract. The problem is not only that we are receiving less oil, but that the deliveries are sporadic.

Mrs. Karoly Solti wanted to stress, once again, that there would definitely not be any shortages in heating fuel this year, and that there would probably be no shortage of petrol at filling stations, either.

As far as domestic prices are concerned, we can expect a further increase. It is impossible to know the exact extent of the price increase because the government has not yet chosen any alternative submitted in a proposal on this issue. Barna Szeman, department head at the Price Control Board, informed us that the reduced deliveries from the Soviet Union would burden the budget by the net sum of between 4.2 billion and 4.5 billion forints. Since the increase in gasoline prices on 16 July, oil prices have doubled, and transportation costs have risen; as a result, Hungarian consumers will have to pay for this extra expenditure in some way. A price increase could affect both gasoline, gas-oil, and heating fuel, as well as all products which are freely priced. The government will decide whether or not domestic prices will follow world market prices. If they do follow international prices, then we may be reporting about a price decrease, one day, and that would truly be a miracle.

Soviet Trade Official Queried on Oil Supply

AU1110112790 Budapest NEPSZABADSAG in Hungarian 10 Oct 90 p 1

[Interview with Soviet Embassy Trade Attache Yuriy Chugunov by Andras Desi; place and date not given: "There Will Be Oil, But Less"; first paragraph is NEPSZABADSAG introduction]

[Text] The "closing" or "opening" of the Friendship Oil Pipeline is not a punishment for Hungary and is not merely a technical issue either, Yuriy Chugunov said. Unfortunately, the disturbances in the supply of oil are connected with the serious problems of the Soviet economy, including the problems of oil production.

[Desi] Mr. Chugunov, so far, the Soviet Union has sent us only 60 percent of the crude contracted for this year. What can we expect by the end of this year?

[Chugunov] Other Eastern European countries—not only Hungary—are also affected by this problem. The Soviet Union declared that, as a result of the prevailing economic problems, it was obliged to reduce oil production; therefore, it is unable to export to Hungary the 1.5 million tonnes of crude stipulated for this year. I would like to stress that we are not talking here about closing or not closing the tap. According to the statistics of the

Soyuzneftexport, in the first half of this year, we fulfilled the oil exports for every month, and difficulties emerged only later.

[Desi] On the basis of what has been said now, to what extent will the Soviet Union fulfill its oil export contract by the end of this year.

[Chugunov] We will not reduce our exports beyond the amount of reductions we have already announced.

[Desi] Personally, how do you evaluate the high-level Hungarian-Soviet economic talks concluded last week?

[Chugunov] I have been in Budapest only for eight months and the aforementioned talks began long before my arrival. I can say that some progress has been achieved overall. We still have major differences of views on a single basic issue, namely the dollar accounting to be introduced on 1 January 1991. Because of shifting world market prices and the subsequent damages, the Hungarian side demands compensation. The Soviet side is for mutual measures because, the halt in the exports of some Hungarian goods—like Ikarus bus spare parts—also causes a lot of problems for us. Shifting to accounting in U.S. dollars will cause a lot of difficulties which will cease once a bilateral trade agreement is signed.

Soviet Troops To Leave Szekesfehervar in Nov

LD1110172790 Budapest Domestic Service in Hungarian 1600 GMT 11 Oct 90

[Text] The three Soviet military formations stationed in Szekesfehervar will leave at the end of November, one month earlier than the original deadline. This has been agreed by the town's leadership and the commander of the Dunantul unit of the Soviet Southern Army Group. It also was agreed that the Soviets will vacate the school in January, which has more than 20 classrooms, and the military hospital in Szekesfehervar.

Secretary on New Military Doctrine, Warsaw Pact

LD1010122990 Budapest Domestic Service in Hungarian 0750 GMT 10 Oct 90

[Report on interview with State Secretary Erno Raffay by Jozsef Barath; place and date not given—live or recorded]

[Excerpts] [passage omitted] [Barath] Mr. State Secretary, why did the deputy ministers of these three countries meet, and why now?

[Raffay] It is no coincidence that the deputy ministers of these three countries met now. It turned out during the three-and-one-half or four-day meeting there that—and we already knew this on the basis of certain preliminary information—together with certain political and social processes in the three countries, several components of the armies' transformation process were showing some similarity. [passage omitted]

The three countries were brought together by their perhaps quick withdrawal from the Warsaw Pact and also because, as soon as the Soviet troops have pulled out from Central Europe—when, looking forward some years, the enormous Soviet forces in the former GDR territory will have left—then some kind of military vacuum will form in this region. Thus vacuum makes it rather necessary that some kind of closer cooperation be established between the countries where some kind of identity of interests can be shown.

[Barath] Perhaps a new alliance should be formed, and perhaps with headquarters in Warsaw?

[Raffay] The idea is an excellent one, and the BBC correspondent in Poland asked the same thing at the news briefing in Zakopane on the third day. Furthermore, because the question fell to me there, I am going to tell you what I told him, that we did not establish any new alliance instead of the Warsaw Pact; we did not establish any Zakopane treaty. [passage omitted]

[Barath] Withdrawal from the Warsaw Pact will naturally bring about immense changes in the life of the Hungarian Army. A new military doctrine will be necessary—the papers mention elliptical defense. What does this mean? Does it mean, for instance, that we are going to defend ourselves on, let us say, the northern border with Czechoslovakia—that is, the country of the collegue with whim you have just met—just as we would defend ourselves anywhere else?

[Raffay] I would like to start with why Hungary needs a new military doctrine. We need such a doctrine because, as we were saying just now, we are leaving the Warsaw Pact's military organization. After a while, the Warsaw Pact itself will turn into some sort of political, noncompulsory organization or body; furthermore, as well as the country's political independence, its military independence will also definitely take place. This means that the present elements of the doctrine, which practically composed an offensive doctrine disguised in a defensive military expedition, cannot, in fact, be used any longer. That is, Hungary needs a new and defensive military doctrine. [passage omitted]

We looked around at the countries in the neighborhood and we found that none of them—I would like to stress that not even Romania or the Soviet Union—can be considered as an enemy. Elliptical defense, therefore, should be interpreted in this sense. [passage omitted]

The idea of elliptical defense—perhaps it is more suitable to call it a defense doctrine which has no enemy image—means that certain changes can be expected in the deployment of troops. This is, however, not the task of the Ministry of Defense, but that of the chiefs of staff. Furthermore, a very important feature of the doctrine is that it has a defensive character. It means that the fate of the most dangerous weapons should be reexamined because they have the greatest fire power and they are also perhaps the most effective in distance. This reexamination is also a task for the chiefs of staff. On the other

hand, it also means that the troops distributed more or less equally in the country are mainly equipped with defensive arms. Well, that is about it. [passage omitted]

Austria's Mock, Jeszenszky Discuss Refugees

AU1010145690 Vienna WIENER ZEITUNG in German 7 Oct 90 p 1

[Unattributed report: "Mock Met Hungarian Counterpart; Taking Back Illegal Border Crossers"]

[Text] Budapest—The problem of the economic refugees was one of the topics that Foreign Minister Alois Mock discussed with Hungarian Foreign Minister Geza Jeszenszky in Budapest on Saturday [6 October].

As Mock stressed, an agreement is to be concluded which is to stipulate that illegal border crossers will be taken back by the country from which they came. There are similar agreements with Switzerland and the FRG, for example. As Mock further reported, the talks focused on increasing bilateral cooperation.

In view of increasing cooperation in the fields of economy, tourism, and politics, regular consultations between high-ranking officials are to take place. The two foreign ministers also assessed the previous Pentagonal activities positively, he said.

During his visit to Budapest, he also visited the building that the Hungarian Government offered for the establishment of an Austrian center, he said.

State Secretary Entz on Minorities in Yugoslavia

AU1010130490 Budapest MAGYAR HIRLAP in Hungarian 5 Oct 90 p 6

["(F.Gy.)" -signed report: "Hungarians in Yugoslavia—Privatization National Minorities"]

[Excerpts] Although the development of political pluralism is somewhat slower in Serbia than in the other Yugoslav Republics, Serbia has no alternative to political pluralism. Nevertheless, reconstruction, privatization, and the restructuring of the institutional framework all have a detrimental effect on the situation of national minorities. Central funds are diminishing. The Novi Sad newspaper MAGYAR SZO [HUNGARIAN WORD] is in danger, and the future of the Institute of Hungarian Studies, which operates within the framework of the Novi Sad University, is also in question. Geza Entz, State Secretary of the Prime Minister's Office, who recently visited Vojvodina and Belgrade, discussed these and other issues with us. The Democratic Community of Hungarians in Vojvodina had asked Geza Entz to visit the area.

The state secretary informed us that, as a result of the reconstruction program, the institutions which had previously been financed through central funds, including the institutions for national minorities, would now be taken over by the local authorities. Only a deliberate policy could counterbalance the ensuing negative consequences. At a local level, however—and this also applies to Vojvodina—such a deliberate policy would not exactly be beneficial for national minorities.

Furthermore, political developments in Serbia have simultaneously included pluralism and very strong centralizing plans. The draft constitution is an example of this. It only deals with civic freedom rights in a general way, and it does not even mention collective rights. Geza Entz said, "We pointed out the dangers involved in this draft constitution. It jeopardized the basic principles which Yugoslavia otherwise represents in international forums." [passage omitted]

Both Milivoje Maksic [Yugoslav Deputy Federal Secretary for Foreign Affairs] and Geza Entz were pleased to notice that neither Hungary nor Yugoslavia sees the national minorities living in the other country as a hostile group. It is of particular importance that Yugoslavia officially considers it a normal policy—not a hostile one—if the motherland cares for its minority, deals with national minority rights and with the political situation of its minority abroad, and gives the minority the assistance it needs to maintain its identity.

That was precisely why Geza Entz politely brought up some serious problems with his interlocutors in Serbia, because, as he said, "partnership also means openness." He also mentioned the bills on education and on language usage, which Hungarians in Vojvodina see as limitations on the language usage and schooling of national minorities. The usage of geographical names, and Cyrillic and Latin alphabets were also mentioned during Geza Entz's talks. [passage omitted]

The Serbian authorities accepted that "the motherland assumes responsibility for the national minorities living beyond its borders." What does this responsibility mean?

Geza Entz explained: "Apart from the aforementioned examples, and the examples taken from cultural life and from sociopolitical realities, it also means that, on behalf of the Hungarian Government, we consider issues which have an adverse effect on the Hungarian community; thus, we assume governmental responsibility. We also assume these responsibilities on a diplomatic level, as the government of the motherland. At the same time, the national minorities elaborate their political interests, and we use our diplomatic tools to support them in human rights institutions, and in international institutions, to mention but two examples." [passage omitted]

Geza Entz concluded: "Hungary has developed stable relations with all her neighboring countries, although I feel that Romania's political and international positions are very undeveloped; furthemore, until things settle down, we can mostly progress on a spiritual and cultural level. Hungarian-Romanian relations are like a partnership. In the long run, however, European integrationist developments will definitely be of importance."

Serbian Minister Comments on Bilateral Relations

LD1110134290 Budapest MTI in English 1041 GMT 11 Oct 90

[Text] Belgrade, October 11 (MTI)—Serbia and Hungary are cooperating undisturbedly, there are no unsettled issues between them and both sides wish to develop relations, Aleksandar Prlja, foreign minister of the Republic of Serbia, told a news conference before his departure to Hungary.

Prlja is to arrive in Hungary on October 11 to attend celebrations in Szentendre and Budapest on the 300th anniversary of the great Serbian migration.

He reaffirmed that Serbia advocated open frontiers and was ready to turn the border between the two countries into a symbolic one so that it should not seperate people but make it possible for them to develop cultural, economic and other kinds of relations.

Prlja recalled that most recently he had met Hungarian Foreign Minister Geza Jeszenszky in Belgrade. He added that the Serbian president was invited to Hungary and would hold talks with Arpad Goncz, president of the Republic of Hungary, too.

The Serbian foreign minister appreciated that Hungary had duly prepared for the anniversary of the Serbian migration: it reconstructed the cathedral and episcopal residence in Szentendre, and placed bilingual memorial tablets.

Antall Meets Japanese Economic Delegation

LD1110033790 Budapest MTI in English 1714 GMT 10 Oct 90

[Text] Budapest, October 10 (MTI)—A breakthrough is needed in Hungarian-Japanese relations as soon as possible, said Prime Minister Jozsef Antall, on Wednesday, when he met the delegation of the Japan Federation of Economic Organizations (Keidanren).

The delegation includes the leaders of giant companies such as the Toyota Motor Co., Komatsu Ltd., or Showa Shell Sekiyu Inc.

At the talks, the prime minister said the government decision to allow Suzuki's project tax exemption in Hungary was intended, among others, as a signal to Japanese capital.

The delegation noted that Japanese capital could increase its share in the Hungarian economy in proportion to the advancement and fruition of the government's economic policy. The Japanese delegation said infrastructure should be developed, a bilateral investment protection agreement concluded, and privatization in Hungary should be carried out speedily, with foreign capital.

They stressed the importance of training managers, and offered assistance in this respect, with conditions to be clarified later on. The delegation briefed the Hungarian prime minister they had already established relations with Hungarian private entrepreneurs, and they termed the dynamism that they had showed as promising.

Socioeconomic Issues To Be Discussed Regularly

LD1110175990 Budapest MTI in English 1707 GMT 11 Oct 90

[Text] Budapest, October 11 (MTI)—To avoid a serious crisis situation, the prime minister will convene delegates from the six parliamentary parties, the independent MP's and organizations representing employers and employees for regular consultation to define the range of socio-economic laws to be enacted in the remainder of the year, runs a statement from the Hungarian Socialist Party's (HSP) [MSZP] parliamentary group, which was revealed to the press in Budapest on Thursday.

Journalists were told that MP's of the HSP made 130 contributions in parliament and presented 250 proposed amendments, most of which once analysed were considered well-grounded from the professional point of view, whether or not they were subsequently adopted or rejected.

The socialists agreed to continue to act in the role of constructive opposition so as to help the country avoid the crisis situation likely to lead to economic bankruptcy in 1991.

Government Plans To Modify Economic Program

LD1110131390 Budapest MTI in English 1050 GMT 11 Oct 90

[Text] Budapest, October 11 (MTI)—In its special session on October 10th, the Hungarian Government concluded that due to changes in external economic conditions, the calculations in its three-year economic programme would have to be modified.

The increasing energy prices, the drought, the larger than expected drop in trade with the East European countries and the disintegration of Comecon [CEMA] relations imposed a burden on the Hungarian economy, which apart from the losses caused by the Second World War, was unprecedented in this century. For this reason, the government specified concrete tasks in foreign economic relations, promotion of enterprise, financial and taxation policies, investment, infrastructure and distribution.

In 1991, the cuts in central subsidies will improve the fiscal balance by 41,000 million forints. Some subsidies, for instance those of fertilizers and dairy products, will be completely eliminated, and others further reduced.

The government discussed a programme for reducing the air pollution caused by cars. Accordingly, cars will be checked annually, the most polluting cars withdrawn

from traffic, and the aspects of environmental protection enforced in customs and taxation policies.

The government has extended rent rebate to the physically handicapped, and the recipients of disability pensions and allowance.

After its special session, the Council of Ministers is to hold its regular session today.

Police Spokesman on 'Clamp Down' on Foreigners

LD1110131990 Budapest MTI in English 1013 GMT 11 Oct 90

[Text] Budapest, October 10 (MTI)—The National Police Headquarters and the frontier guards have continued their clamp down on those foreigners endangering public security in Hungary. On Monday and Tuesday, almost 1,200 people were arrested, colonel Dobos of the National Police Headquarters told MTI.

She said 104 out of 694 foreigners arrested on Tuesday were released after proving their identity. A further 62 foreigners left the country voluntarily, and 32 were expelled.

The 120 foreigners expelled in two days, mainly Romanian, Polish and Turkish citizens, were taken to the border by bus. The 23 people, mainly Arabs, being held in a camp at Kerepestarcfa near Budapest, will leave the country by plane.

Military Expert Interviewed on Internal Changes

AU1110132690 Budapest MAGYAR HIRLAP in Hungarian 10 Oct 90 p 9

[Interview with Attila Kovacs, expert on military science and associate professor at the Budapest faculty of economics, by Balazs Lantos Nagy; place and date not given: "Buy Some Tanks!—The Price of Detente"; first two paragraphs are MAGYAR HIRLAP introduction]

[Text] Disarmament is an important point in the structural change that affects Hungarian production; at the same time, disarmament also raises a series of other economic and social problems which should be solved. According to statistics published by the United Nations, approximately 80 percent of all basic and applied research is used, directly or indirectly, for military industry purposes. It is, therefore, not an exaggeration to say that the previous arms race played a significant role in the economic and technical development of the world. Nevertheless, Hungary would look in vain for an example to follow in the world; the structure of Hungary's military production differs fundamentally from the structure found in other countries, including the CEMA countries.

According to Attila Kovacs, one of the main reasons for the huge economic backwardness of our region is that the structure of our military production fundamentally differs from the Western model of military production.

[Kovacs] The most significant results of the scientific and technological revolution of the past—ranging from the use of nuclear energy to the development of technology in the field of synthetic materials, via the creation of a computer science industry—can all be attributed to military industry research. At the same time, after World War II, industrialized countries closed down their independent military industry branches, and research—as well as production—was carried out by enterprises which also produced goods for civilian purposes. Results could not be used on other products for three to seven years, but that was just enough time for the results to adapt to civilian purposes. In communist countries, on the other hand, the time limit ranged from 10 to 20 years; furthermore, military industry research and production was carried out without any involvement of civilian factories.

[Nagy] Nevertheless, both structures can be seen in many Hungarian enterprises....

[Kovacs] Hungary is the only exception. In 1956, an end was put to the independent management of the so-called B-enterprises [as published] belonging to the KGM [Ministry of Metallurgical and Machine Industries]. Within the framework of the Warsaw Pact, however, this had no significance. This is true, especially given that basic research and high technology achievements were mostly carried out in the Soviet Union, and that we only took part in mass production on the basis of licenses. Under such circumstances, the Western model even presented disadvantages sometimes: For example, in the 1970's—given that the reconnaissance telecommunications equipment manufactured by the Videoton enterprise sold very well—Videoton's interest-bearing developments in the civilian sphere were cut down.

[Nagy] The international detente that is so useful for Hungary from an economic point of view may cause a drop in our scientific and technological development.

[Kovacs] I am sure that this detente will not cause a drop! The mobilized funds will drift to areas where there are still many problems to be solved, such as space research, or environmental protection. At the same time, it has to be said that total disarmament is an illusion, because defense functions will always be needed. Hungary, of course, only needs a defense against smaller local wars, whereas on a higher plane, it is the superpowers that represent security. Indeed, nobody would emerge victorious from a world war today, given that 20 decagrams of trotyl would be sufficient to destroy a square meter of the earth's surface, and that an even distribution would give every square meter on our planet approximately four kilograms of accumulated explosive materials.

[Nagy] Could an estimate be given today of the expenses and revenues that would arise through Hungary's disarmament?

[Kovacs] It is difficult to foresee the problems that will arise when evaluations are made of the Army's property—for example, it is difficult to tell what purpose the Army's buildings will serve once they have been vacated. Many of these buildings are not located in built-up areas, but even the majority of buildings that are centrally located will have to undergo fundamental transformations. The situation, however, is much more complicated as far as Army equipment, ranging from clothes to guns, via vehicles, is concerned. Some of these articles could be sold in Hungary without any problem—for example, 15,315 trucks and 55,000 tonnes of fuel could easily be sold. There is also a fair number of assets that should be destroyed if they cannot be exported. Such assets include 449 tanks, 393 pieces of artillery guns below 100 millimeters, 37 guns above 100 millimeters, 98 antitank guns, and 15 missile-launched antitank guns. There is also equipment which could only be sold once it had been transformed, including 40 airplanes and 23 helicopters. It will not be easy to destroy the discarded assets, either, given that the destruction and disposal of a tank costs approximately 300,000 forints, with a 40,000 to 50,000 forint refund. Furthermore, if we have to dispose of dangerous waste material for any reason, then we have to expect not only financial expenses, but also environmental problems, which could lead to political complications.

[Nagy] In other words, both military preparations and also disarmament can be sources of political conflict.

[Kovacs] Let us begin by saying that staff reductions will lead to the dismissal of workers, and that could increase unemployment figures. Moreover, many enterprises will experience a narrowing of their market, given that the Army represents a safe and solvent client for items ranging from clothes to special accessories, via foodstuffs. There will also be a need for numerous technological modifications, particularly in metallurgy, the engineering industry, and the chemical industry. These factors have serious financial consequences, which may, of course, eventually lead to political tensions.

[Nagy] What will happen to the so-called "frozen potential" that some enterprises were forced to maintain in order to switch to military production if necessary?

[Kovacs] A part of that potential will be discarded or transformed, but the rest will have to be maintained in some form. Many machines could function profitably if a new foreign market could be found for their products.

[Nagy] Nevertheless, foreign policy considerations evidently limit the export of military industrial products in a significant way. If we want to secure our regional defense, it is probably not advisable to sell tactical weapons to a neighboring country with which we do not have the best of diplomatic relations....

[Kovacs] If we can make a financial profit, why should we not make such a deal? We could use the profits to make further developments, and as a result of these developments, we would grow stronger than the other country. Moreover, the supply in spare parts would also originate from us. Furthermore, not only offensive weapons can be exported—for example, the article that is currently in greatest demand is the gas mask, which is also used in many civilian professions nowadays. Naturally, the current sudden increase in the demand for gas masks is explained by the well-known fact that Iraq possesses chemical weapons.

Reactions to Mazowiecki Candidacy Announcement

AU1010111690 Warsaw RZECZPOSPOLITA in Polish 5 Oct 90 p 2

[Roundup of reaction to Tadeusz Mazowiecki's announcement that he will run for the presidency, attributed to the "politics department": "First Reactions"]

[Text] Mikolaj Kozakiewicz, Sejm marshal: "All of us were impatiently waiting for the announcement, and we were becoming somewhat irritated that Prime Minister Mazowiecki was taking so much time over it. Now we have two candidates, who will be involved in an emotional campaign for the presidency. I think that they have an equal chance."

Andrzej Stelmachowski, Senate marshal: "I have been expecting Tadeusz Mazowiecki to announce that he would stand in the presidential election for a long time now. I think that the decision represents a good start. There will be two very different personalities competing against each other—that is a good thing because it means that society will have more of a real choice. However, the presidential elections will not only be about persons, but also about different concepts of the presidency: Walesa's strong, dynamic presidency and Mazowiecki's calm, considered approach."

Jacek Maziarski, Center Accord spokesman: "We are very pleased that the situation, which was troubling us because of the uncertainty surrounding it, has been clarified. We are pleased that Tadeusz Mazowiecki has decided to stand, because he is the only worthy rival to Lech Walesa. This has given rise to a situation that promotes democratic progress in Poland.

"For the first time in decades, Poles will be able to choose between different political philosophies, political styles, and different visions of the state. We are confident that the rivalry between Walesa and Mazowiecki will serve as an example and as a lesson in democracy and standards of political conduct, which is something that Poles need. What may arouse misgivings is the political setting of the competition between the two. The question that remains is that of equal access to the mass media and the level of debate that the supporters of the two politicians will adopt. I would point out that until now one of the two sides has been relying on invective implying charges of populism, demagogy, and anti-semitism."

Aleksander Labuda (Citizens Movement Democratic Action, ROAD): "It did not come as a surprise to me. Without waiting for Tadeusz Mazowiecki to announce his decision, we took the liberty of announcing his candidacy for the office of president publicly. That the prime minister announced his decision today makes it easier for us to start an election campaign.

"In my opinion, Lech Walesa and Tadeusz Mazowiecki stand an equal chance of being elected. Judging by what Lech Walesa and his supporters have been saying and doing, one can, to put it mildly, expect a very dynamic campaign for the presidency. There will no doubt be some mudslinging, but that happens all over the world, and we must get accustomed to that. However, I think that our candidate will want to see the campaign proceed as calmly as possible.

"In view of his governmental duties, Tadeusz Mazowiecki himself will probably be unable to become intensively involved in waging an election campaign. His supporters will have to do so on his behalf. Personally, I hope that he wins."

Aleksander Kwasniewski (Social Democratic Party of the Republic of Poland): "It does not come as a surprise to me. I expected the prime minister to decide to stand and I am pleased. Competition is a good thing. I think that the left will put forward its own candidate and everyone will be able to make a choice. From the angle of what is good for Poland, it is better to have an open conflict, and that is the situation that we have now."

Jerzy Dietl, senator (Forum of the Democratic Right): "I support Mazowiecki and I will vote for him because he guarantees continuity of government. He is a wise man who pursues politics in a very civilized manner, and represents a Christian way of thinking about issues generally. His government is pursuing a liberal economic policy and Balcerowicz and his program guarantee that it will continue to proceed in the same direction. I do not know of any other political grouping that would have a serious economic and social program."

Stefan Kisielewski, journalist: "We already have two candidates, but I do not think that it will end there, and there will be other candidates. However, we all know that the struggle will be between the two of them. I regret that neither of them has a definite economic program. Mazowiecki talks a lot about foreign policy, but, unfortunately, he makes no mention of adjustments to the Balcerowicz plan. Walesa has not, for example, clearly set out his position on the question of privatization.

It is natural that if there is an opposition, then it should, above all, have definite views on economic matters. No mention is being made of that, and I am the only person who is giving it any thought.

Statement Issued by the Citizens Movement Democratic Action

ROAD is delighted at the news of Tadeusz Mazowiecki's announcement, which satisfies our highest hopes. Together with our allies in the Forum of the Democratic Right and the numerous supporters of the candidacy, we will start collecting signatures.

Tadeusz Mazowiecki for president!

Political Figures Comment on Mazowiecki Candidacy

AU1010153390 Warsaw TRYBUNA in Polish 6-7 Oct 90 p 3

[Statements by Tomasz Wolek, chairman of the Forum of the Democratic Right, and Wladyslaw Frasyniuk, joint chairman of the Citizens Movement Democratic Action; place and date not given: "In the Teeth of Competition"]

[Text] Tomasz Wolek, Forum of the Democratic Right: "I think Tadeusz Mazowiecki's agreement to run for president is the right step toward serious democracy. The plebiscite stage, which is necessary at a point, is disappearing, and its place is being taken by a stage of genuine elections.

"So that there is a choice, it is necessary to have alternative concepts, programs, and styles of action. Therefore I am pleased that thanks to Mazowiecki's announced candidacy, the possibility of such a choice has arisen.

"I think these elections may be a good lesson in democracy for Poland, also as far as political and oratorical culture is concerned. The style of this campaign may either weigh heavily upon Polish political life, or enrich it immeasurably.

"Two distinguished persons, two great Poles, will compete. Whichever of them wins, there is certainly a prominent place for either of them on the Polish scene."

Wladyslaw Frasyniuk, Citizens Movement Democratic Action: "All those social circles that have always connected Poland's future with democracy and democratic institutions have been waiting for Tadeusz Mazowiecki's decision. This candidate represents all those who dream of a stable country where man possesses supremacy, a Poland which is a full fledged member of Europe. He guarantees that in Poland there will be no extremism, but tolerance, and that every minority will receive equal treatment.

"I think the election campaign will be very difficult and not devoid of sharp clashes between the main competitors."

Mazowiecki Election Committee Appeals to Citizens

AU1010150490 Warsaw GAZETA WYBORCZA in Polish 8 Oct 90 p 1

[Statement by the Tadeusz Mazowiecki National Election Committee: "Facing a Choice"]

[Text] August 1980 opened the way for democracy. The construction of a democratic and independent state depends on us. Poland is faced with a choice. For us, the choice is obvious, namely, success of the implemented economic reforms, stability and authority of the state, social stability, and full local self- government. These are the aims behind the implementation of Tadeusz Mazowiecki's policies. We are convinced that, as president, he will serve the Polish Republic and all its citizens with great effectiveness.

We are appealing for the creation of local and neighborhood electoral committees to support his candidature for president.

A victory for Mazowiecki means a victory for Poland's raison d'etat.

The Tadeusz Mazowiecki National Election Committee, Krakow, 7 October 1990.

Center Accord Issues Election Appeal

AU1010150090 Warsaw RZECZPOSPOLITA in Polish 8 Oct 90 p 2

["Election Appeal by the Center Accord"]

[Text] Everyone of us has dreamed of living in a free Poland. In 1980 it seemed that a free Poland was but a step away. But then came martial law, and many people lost hope. But "Solidarity" continued, reminding people of a spring which would be ours one day. How much of this certainty and faith did "Solidarity" receive from Lech Walesa?

The whole world knows his name, but he has always been one of us Poles. Anyone of us could be Walesa. But there is only one Lech.

When we voted for "Solidarity" and a free Poland in June 1989, Lech Walesa sponsored our deputies and senators. Not everyone viewed the post-"roundtable" Poland as the ideal republic. The taste of victory was spoiled because the old was mingled with the new. Fear of an uncertain tomorrow seized many families. Can we afford another concerted effort to catch up with the world?

Freedom is not just air which is easier to breathe; it is also a burden of responsibility, especially on those in whom the nation has vested its trust. Walesa could remove his burden, cease to be a symbol,and become a private person. Some people maintain that he has done his bit and should go back to where he came from: the shipyard.

We do not agree. We feel Walesa has no right to shun public service. Poland needs him, especially now that we have the chance for which we waited 45 years, when we can choose the head of state, the first citizen of the Republic, in a free election for the first time. Let this first citizen be a man who has not failed, who led us in the long struggle to regain freedom!

As the president of all Poles, Lech Walesa stands for:
—An acceleration of the democratic changes in Poland;
—A restoration of justice to those who were deprived of it;

—An opening of the future to all those who want to shape it together with us;
—A Poland faithful to itself and to Europe.

We are commencing the "Lech Walesa for president" campaign. The experience of the last few months raises fears that our access to the media may be restricted. So let the Lech Walesa campaign take place among millions of Polish families, among circles of friends, at one's home and in one's place of work.

By choosing Lech Walesa, we are choosing a Republic that matches our expectations.

The Lech Walesa Center Accord Election Committee is setting up a fund. Please transfer contributions to the General Savings Bank in Warsaw, account No. 1603-550550-132, with the message "Lech Walesa Center Accord Election Committee."

Warsaw, 7 October 1990.

Commentary Recommends Early Sejm Elections

AU1010100390 Warsaw TYGODNIK SOLIDARNOSC Polish 5 Oct 90 p 3

[Krzysztof Wyszkowski commentary: "Like a Fish Out of Water"]

[Text] The "Solidarity" revolution has not yet been completed. There are not many things left that need to be done in order to achieve success, but they are things of the greatest importance—an independent Poland will come into existence following free and democratic parliamentary and presidential elections. The heirs of communism (who want to escape responsibility) along with the advocates of the so-called philosophy of evolution (who wish to retain power) are trying to play down the significance of free elections as a turning point that would mark the close of the period that began in September 1939 and saw Poland deprived of sovereignty.

There is to be no gulf separating the Poland that was conquered and taken over by the Soviet Union and an independent Poland; instead there is to be an evolutionary continuum. Free Poland is to develop out of enslaved Poland. The communist system is to be shown to be ultimately reformable, and the milestones of the common struggle for reform—a struggle waged by servants of the Soviets and the victims of coercion—are to be 1956, 1968, 1970, 1976, 1980, and even 1981, because the "roundtable" was something accomplished jointly.

To accomplish this, they need to achieve success on three issues of great symbolic and practical importance: Walesa and Jaruzelski have to be linked; the communists have to be able to enter the Sejm of the third Polish Republic with the help of a proportional representation electoral code; and the present Sejm has to approve at least the foundations of a new constitution or call a referendum on the political system.

We will allow you to free yourselves if you accept our presence in the future, is what Jaruzelski appears to be saying in agreeing to transfer the presidency rather than to resign and by repeating, on the eve of the Sejm session on these issues, that the imposition of martial law was a patriotic duty.

The Social Democratic Party of the Republic of Poland says: "We will agree to curtailing the present Sejm's term of office, if a proportional representation electoral code is adopted."

Professor Geremek maintains: "The constitution of a future free Poland can be passed by the present parliament, the product of a contract."

It is time to state things clearly: The pride that change in Poland was accomplished without the use of force is accompanied by the fact that the presidency is still held by a communist and by the inability to hold free elections in which the nation would obtain complete freedom to express its will.

It would appear that the evolutionists have already lost and that the constitution will be produced by the first Sejm of the Third Republic. The final defeat of the communists has still to be brought about.

General Jaruzelski should go without there being any conditions attached. The president elected by the will of the people will receive the insignia of state from the president-in-exile; there is no question of the presidency being transferred to him from a man who was an instrument of Soviet domination for decades.

The date of the first free elections for the highest office in the state since the outbreak of World War II should be a watershed marking the end of the period of occupation and real socialism and the beginning of an independent Poland. A simple majority electoral code would add the invaluable element of the sovereignty of the people to an independent state.

The 10th Sejm is nothing more than the 1918 Council of Regency. Its role is to relinquish power as quickly as possible.

New Constitutional Proposals Reported

AU1010144390 Warsaw GAZETA WYBORCZA in Polish 5 Oct 90 p 3

["AJ"-signed report: "Searching for a New Political System"]

[Text] The parliament, according to the future constitution, would be bicameral. This fact emerged from the draft that was presented to the Sejm Constitutional Commission by members of its Political System Sub-Commission on Thursday. The Sejm would have legislative capacity and would exercise control over other state organs of the Polish Republic. The Senate would also participate in the legislative process.

The duration of parliament would be limited to four years. The Sejm could dissolve itself on a two-thirds majority vote. The president could also dissolve the Sejm, if the Sejm failed to adopt the budget, failed to constitute a government within two months, and in the event of a nonconstructive vote of no confidence in the government, namely, if on such a vote the Sejm itself did not indicate a potential candidate for prime minister.

A Sejm deputy (one of 444) represents the Polish nation. He cannot be tied by the specific instructions of his voters and he cannot be dismissed by them. A Sejm deputy will not be able to cumulate Senate functions or high offices of state, with the exception of service in the government cabinet and a professorship at a university.

The Senate, the Sejm deputies, and the government will have a legislative capacity, but not the president. The public could submit a proposal for legislation, provided it was supported by 100,000 signatures.

Draft bills likely to be a financial burden on the state budget would have to indicate sources from which this expenditure could be met.

The Sejm would be able to reject a Senate amendment with a 55 percent majority vote (there is no provision for positive voting, which currently threatens to "stall" the passage of a bill if the amendment is not rejected by a qualified majority or is accepted by a simple majority).

The president could not refuse to sign a bill. However, he could refer the bill to the Constitutional Tribunal for a ruling on whether the bill is constitutional.

The Senate would represent local government authorities (senators would be chosen by voivodship sejmiki [local assemblies] or voivodship district councils).

The Constitutional Commission is still debating this chapter of the draft.

Solidarity's Kaczynski Discusses Union's Future

AU1010133390 Warsaw ZYCIE WARSZAWY in Polish 6-7 Oct 90 p 3

[Interview with Lech Kaczynski, deputy chairman of the "Solidarity" National Commission, by Janina Paradowska; place and date not given: "Between a Party and a Trade Union"]

[Excerpts] [Paradowska] "Solidarity" is a weak trade union. People are not flocking to join. There are rumors that the trade union is about to draw its final breath and it seems as if its leadership does not know what to do next.

[Kaczynski] Your interpretation is somewhat arbitrary. If we compare 1980 figures, then indeed the union is four times smaller than it was. However, today, it is much more influential if one looks at all the decisions that are taken at factory and regional levels. Throughout the country things do vary, I admit. But our membership is slowly rising and we have registered 250,000 new members since our last congress.

[Paradowska] How many members does "Solidarity" have?

[Kaczynski] There are 2,300,000 members.

[Paradowska] So few?

[Kaczynski] You must bear in mind that there is now a complete division between the union membership and the union's clientele. Despite the low numbers, "Solidarity" is often the major force in workplaces compared with other labor organizations.

[Paradowska] What is the distinction between union clientele and membership?

[Kaczynski] There are many people who are "Solidarity" supporters, although they are not members. In the 1980's, all those who supported the union usually belonged to it. Today, it is different and I think that this is a long-term phenomenon. Although "Solidarity" has only about 20- or 25-percent membership of the factory work crew, in many cases it has effective control. Sometimes too much control.

[Paradowska] But this control is largely political. I repeat my question: Why is there such a clear lack of future direction?

[Kaczynski] What really worries me is the excess of ideas. I represent a firm point of view, namely, "Solidarity" is a trade union which is slowly retreating from the political arena in order to give itself room for maneuver. That is why it is so important for us to get this law on trade unions and collective agreements through. On the other hand, privatization and commercialization of state enterprises will give us an employer with whom we can begin to negotiate.

[Paradowska] But a liberal economic policy will limit the role of the trade unions.

[Kaczynski] No, it will simply limit the role to a pure trade union role. There are other ideas on the political and economic scene. On the economic front, there is the issue of employee share participation. Not as the law provides at present, namely, a maximum of 20 percent of the share capital for the factory crew, but a minimum of 51 percent for the crew and at preferential terms. In my opinion, this is just another attempt to create an economic utopia, as if we did not have enough of it under the communists. It is the self-governing bodies that are pressing for this. On the political plane, there are calls for the joint management of a firm not to be based on the principle of ownership, but on a system of trade union preferences that would be enshrined in all collective agreements. Unions would decide on everything that concerned the running of a firm.

[Paradowska] It would be impossible to find someone who would want to own such a firm.

[Kaczynski] Such a solution would abolish the institution of private ownership in Poland. The rights of the owner—whether it was the state or a private person—to manage their property, would be so limited that ownership would become a fiction. The true, although not the legal, owner, would be the trade union. [passage omitted]

[Paradowska] The "Siec" Inter-Factory Network is the strongest proponent for employee share participation schemes. Why are you so strongly against them?

[Kaczynski] I have nothing against employee share schemes. I think that privatization should take place in various different ways and employee share participation is merely one of these. I see share participation as a social experiment. I think that in certain cases this will have to be done, but the problem lies in creating a valid rule that will determine whether certain enterprises can be privatized on the basis of share distribution. This could be done by privatizing a small group of enterprises, which would then be subject to the rules of the market. Conversely, if privatization by share distrubution becomes the rule, it is doubtful whether the rules of the market could even begin to function. I foresee that share participation companies will form supra-factory structures that will begin to take over the function of the management. This is bound to happen sooner or later. If this is simply to be an experiment, then it may well succeed. One could then start to apply it further afield. However, I think it is a lie to say that one has to introduce this particular way and that it is only to be a mere transition stage. It is absolutely certain that vested interests will come into play and the whole thing will become immutable. [passage omitted]

[Paradowska] You have been quoted as saying that you want to separate the political from the trade union function in "Solidarity." Is this possible?

[Kaczynski] Theoretically, yes. But in practice it will be very difficult. We have a group of activists who have quite clear political ambitions. I have nothing against this as long as they confine their political activities to the Center Accord, Citizen's Movement Democratic Action, or some other grouping, but they must not use this trade union. The grouping being formed by Modzelewski and Bugaj will no doubt attract some supporters. I think that union activists will slowly begin to drift away from "Solidarity." But it is far worse to call on "Solidarity's" leadership to stop playing at politics and concern themselves with union affairs and on the other hand to appeal to "Solidarity" to produce a strong representation in parliament. If "Solidarity" were to do this it would then hold the key position in the system of power. It would become a political party whose structures would be reminiscent of Communist Party structures (without the democratic centralism and negative vetting of cadres), because its strength would stem from control of workplaces. In a society which is mainly comprised of workers, he who controls the workplace has power and controls the whole country. In such a situation there is no need to have a majority. Such an outcome, of course, would be contrary to democratic principles.

[Paradowska] I think that we should also fear centralism and negative vetting of cadres, especially when the old trade union leadership abandons politics.

[Kaczynski] I do not agree. The departure of many people—especially Walesa's departure—will weaken this trade union, but we shall be left with people of committed to the trade union cause. I also hope to train new people who will readily identify themselves with the task of defending the working people, who after all, are the largest social group in Poland.

[Paradowska] Lately, there has been renewed talk of forming a new social pact. Geremek and Miodowicz have indicated their interest in this. Why does "Solidarity" remain silent on this issue?

[Kaczynski] There are serious drawbacks to such a pact. Most important, and whether we want it or not, the old political forces would have to be included in such a pact. [passage omitted]

[Paradowska] The general public rarely seems to be able to separate the activities of Lech and Jaroslaw Kaczynski. The Kaczynski brothers are perceived as aiming to control the whole game. One is to control "Solidarity" and the other will control political power.

[Kaczynski] That is ridiculous. Life has delegated different tasks for each of us. I knew about the creation of the Center Accord, because we both thought up this project to ensure that nobody could end up controlling all the power. [passage omitted]

Activist Explains Two 'Solidarity' Philosophies

AU1010162590 Warsaw RZECZPOSPOLITA in Polish 8 Oct 90 p 2

[Article by Center Accord activist Jan Orzel: "Two Political Philosophies of 'Solidarity'"]

[Text] Everything began so nicely. The Kaczynski brothers decided that we could have our own government and prime minister. Lech Walesa accepted the idea and implemented it. Tadeusz Mazowiecki became prime minister. The idea of a "Solidarity"-Polish United Workers Party [PZPR] government, the brainchild of Bronislaw Geremek and Adam Michnik, among others, collapsed. The demise of the communist camp began.

Then suddenly, six months later, one of the Kaczynski twins, Jaroslaw, began to form a political group inside the "Solidarity" camp—one clearly opposed to the government. Why? There were reasons for it, and these reasons have a long history. It was not Kaczynski who divided "Solidarity." "Solidarity" began to divide itself at the very beginning. There were disputes about whether or not to include the PZPR's leading role in the union

statute, whether or not to proceed to a Warsaw accord in March 1981 after "Solidarity" activists from Bydgoszcz had been beaten up, whether or not to join the Front of National Accord toward the end of 1981, whether to talk to Jaruzelski during martial law or go underground until communism collapses, etc. The list of dilemmas could go on forever, but the division into fundamentalists, radicals, pragmatists, and realists has existed all the time. Only the names of people and the personnel compositions of the two streams change. Walesa was a pragmatist in 1980 and 1981, Adam Michnik and Jacek Kuron were closer to the radicals then. And I have probably been an "accelerator" all the time.

The Goverament

After a few months of the Mazowiecki government, one could already determine the political principles it was pursuing and monitor their implementation and social effects. This government's three main principles are the "Thick line," "Evolution in accordance with the law," and "We know best." Together, these principles form a whole, the rejection of which led to the birth of the Center Accord. The Center Accord was created thanks to an initiative by many Christian and liberal-democratic political groups.

"The thick line," the first principle of government policy, has been justified by the prime minister on the grounds that everyone in a free Poland should have equal chances, even the communists, even the nomenklatura. That is a noble idea, but with disastrous consequences. After a short period of vacillation, the old coalition structure once more began to behave the way it had before. An anti-government majority re-emerged in the Sejm. Despite changes to the leaderships of ministries and government offices, the rank and file remained the same as before. But that is not the worst thing.

An operation aimed at enfranchising the nomenklatura, probably a premeditated operation, began several years ago, maybe in 1987. The way this functions is very simple. The management of a state enterprise sets up a private company, which transfers some of the enterprise's assets to the company for next to nothing, with the blessing of the management. And then one can start up a business. Usually the business is exactly the same as that of the state enterprise, only higher prices are charged. It is best to sell the products back to the enterprise that is preyed upon in this way. And of course, the shares in the company are held by the enterprise management and by people in high positions who can help the company by preventing controls, finding customers and production resources, and making sure state offices are tolerant.

The Polish economy is covered by a powerful network of nomenklatura companies. They are everywhere. No private entrepreneur trying to get onto the market can avoid them. He loses in competition with them, because they are capable of arranging everything faster and easier. It seemed that removing the nomenklatura from ministries, offices,and enterprises would eliminate the problem, that nomenklatura companies would thus lose their backing; and that every entrepreneur would have an equal chance on the market. Unfortunately, that is not the case. A free exchange of cadres by the new government meant that nomenklatura companies could strike up new deals without abandoning the old ones, and hire new people for top posts. These companies destroy chances of a Polish market economy and private capital. They are a hindrance.

The second principle, "Evolution in accordance with the law," is a contradiction in terms. The law left over from the communists is being hastily changed by the government and parliament, but society does not know the purpose of the changes, does not know what they are leading to, does not know when these changes will assume concrete shape. The law is unstable, incohesive, unclear, unforeseeable, and complicated. People do not know what long-term economic activity can bring them advantages, and how long the legislation that encourages such activity will last. Nor do they know in what direction such legislation might develop. The nomenklatura companies will manage quite well, but a Polish or foreign entrepreneur prefers not to take any risks, and if he does, then he undertakes action that will bring him gains in a short time.

These two principles are complemented by a third, one which the government has never formulated, but is implementing all the same—"The authorities know best." The result is that the government governs on its own. It does not distribute state tasks to political parties, associations, trade unions, or local government bodies. What little the government gave the local government bodies in the Local Government Act, it later took back by dividing powers between the government administration and the local government bodies, and it sanctioned this by creating regional offices and giving them the powers that it had taken from the local government bodies. The principle of the "Authorities Know Best" is accompanied by a disastrous government information policy. The authorities know best, so society does not have to know anything.

The end result of the abovementioned government political principles is social apathy. The "thick line" principle has created the mistaken impression that nothing has changed. The absence of a fast and complete change of legislation has meant that Polish and foreign capital has failed to support the government's timid policy of privatization and pro-market orientation. It is not just the economic sphere I am concerned with, for when people notice no radical changes in their surroundings, in their factory or office, they remain passive toward the government's policies. And this passiveness has been exacerbated by a bad information policy, by a neglect of the opposition, by the conviction that the government and its policies possess no alternatives.

The Center Accord

The first part of the center's program was decidedly negative—it rejected the government's policy principles. The second part, this time positive, took the form of a slogan: "Acceleration." But despite the anticentrist propaganda, the center's program does not end there. Rejecting the "thick line" principle, the center proposes a rapid pro-market orientation and privatization so that most state assets may become private and finally enter the hands of a specific owner. The privatization program is open to domestic and foreign capital, and shares in an enterprise may be held by employees and by citizens in general. The exact proportion of shares may be agreed upon. The center does not agree with the expansion of nomenklatura companies, brought about by the dismembering of state assets. There should be a valuation of everything that these companies have misappropriated. All the misappropriated assets that have caused unjustified advantages should be at least partially restored, to be divided between citizens and workers, in other words all of us.

The principle of "evolution according to the law" should be replaced by "evolution according to a quickly-implemented and sensible law." The edifice of the law is incomplete. The roof is almost finished, but the foundations have holes in them and there are a few floors missing. One must begin with the most general law—the constitution—and then proceed to details. But the law must be clear and simple, so that it may become every citizens' code of conduct. The law must create equal chances for everyone. One cannot continue with a harsh policy vis-a-vis society and a soft policy vis-a-vis the nomenklatura and ex-communist coalition.

The principle of "The government knows better" must be discarded once and for all, just like the centralist system of power connected with it. One should aim toward a "minimum state," whereby most of the powers are in the hands of social institutions such as parties, associations, trade unions, and local government bodies. Only then will the official apparatus, including the old nomenklatura, be under society's control. Only then will it be possible to overcome the apathy and encourage a creative attitude from people.

The program is not the only thing that differentiates the Center Accord from the pro-government camp (Alliance for Democracy). The center tries to represent the interests of other social groups apart from the Citizens Movement Democratic Action and government. These latter two bodies address themselves to groups that used to be dependent on the communist state, especially the state budget. It is these groups that still long for a centralist government that will guarantee them a secure existence. The center suggests a fast road to parliamentary democracy and a market economy, the basis of which is the middle class. This class has not been born yet, or is still in diapers, but its existence is essential. Therefore the Center addresses itself to those citizens and social groups who do not need the state's care, who want to base their own lives on their own work. This is not just private entrepreneurs, self-employed people, and farmers, but also workers who do not want to work inside a paternalistic factory, but prefer to be joint owners of their factory and assume responsibility for it by means of their own good work.

The center's program is addressed to the citizens committees and local government bodies that want to govern their respective areas in a democratic way, and not receive orders and the resources to carry them out from the government. The center's program is addressed to the (constantly increasing) group of "Solidarity" activists who do not want a trade union that makes nothing but wage claims, but one which itself encourages the emergence of a free market, a union that will create small family firms for its unemployed members instead of staging strikes so that they may receive jobs, a union that wants a strong partner—the private, self-employed owner. The Center Accord is a pragmatic group. Pragmatism does not mean a lack of ideas, but an openness toward the programmatic solutions of other groups, toward negotiations with them, toward achieving ideological goals as fast as possible and with as little pain to the people as possible, and toward the building of a market democracy, a normal society, and a normal state.

Krajewski Named National Democracy President

LD1010211390 Warsaw PAP in English 1404 GMT 10 Oct 90

[Text] Warsaw, Oct. 10—The National Democratic Party (ND) has announced that its founding committee, chaired by Zbigniew Jacniacki, has approved Adam Krajewski to the post of president of the ND's Political Committee.

Adam Krajewski has been member of the ND since 1937.

Problems With Military Service Alternatives Viewed

AU1010142590 Warsaw GAZETA WYBORCZA in Polish 6-7 Oct 90 p 2

[Dariusz Fedor report: "Community Service—Unwanted Child of Democracy"]

[Text] The Army is breaking the law. Conscripts who do not want to do military service and apply to do community service as an alternative find that Army recruitment centers are threatening them with legal proceedings, imprisonment, and service in the Bieszczady mountains. Army officials are telling new conscripts that the law on alternatives to military service does not exist, because it was adopted by the former Sejm, or that it only applies to conscripts with a health category A-3, or Jehovah's Witnesses, stated representatives of the Association of Objectors and the Movement for Freedom and Peace at their Friday meeting at the Ministry of Labor with Director Lech Giermakowski, of the ministry.

According to the law on compulsory national defense, every conscript can apply to do community service instead of military service "for reasons of his personal religious convictions" (this includes Roman Catholics according to the Vatican Council) and "for his professed moral principles." Call up notices can only be sent to those people whose applications for alternative military service have been considered.

From the moment conscripts are approved for community service, they pass under the care of the Ministry of Labor. They are not classed as employees, because they are doing community service. Instead of a salary, they get their army pay and food and clothing allowances. Together, the total comes to 445,000 zlotys. The employers usually assign them to the worst jobs which are completely unrelated to their qualifications. Those who do not accept these conditions are threatened with complaints to the Ministry of National Defense.

That is why the ministry is trying to change the conditions attached to alternative military service. The minister of labor would be able to decide on reducing the length of this community service (from 36 to 24 months; and to 12 months for those with higher education qualifications), just as the ministry of national defense can do in the case of military service. Alternative military service could then carry comparable pay on the scales that apply to factory workers rather than mere "obligatory payments."

The ministry also wants to increase the number of factories that accept conscripts wishing to do community, rather than military, service.

Government's Influence on Mass Media Examined

AU1010102190 Warsaw TYGODNIK SOLIDARNOSC in Polish 5 Oct p 3

[Krzysztof Czabanski commentary: "An Arm of the Party"]

[Text] The mass media in Poland were always treated as the domain of the Polish United Workers Party. It is worth going to considerable lengths to prevent the resurgence of the party model of the mass media. Meanwhile, the upcoming election campaigns (presidential and parliamentary) may encourage the reappearance of bad habits.

I do indeed understand Jacek Maziarski's intentions when he suggests that the "Solidarity" Chairman's Citizens Committee should take over ZYCIE WARSZAWY. However, I shudder at the thought that this should become the normal way of doing things. Even if the government (or other political groups) intends, de facto, to give the mass media a party form by taking over press titles, it is something that one should have no part in. There is the "Prasa-Ksiazka-Ruch" Workers' Cooperative Publishing House [RSW] Liquidation Commission, and various titles will be auctioned off. The bids should come from companies, foundations, and groups of people, but not from parties and political decisionmaking centers (the latter can hide behind the first). If we do not privatize the mass media, then it it will take a long time for us to free ourselves from the the trap of complaisance on the part of journalists and the propaganda character of that profession, which is something to the detriment of readers and all of us. The breaking up of the television giant into a series of independent stations and the privatization of television should occur immediately.

As far as I know, ROAD will not create its own paper and is satisfied with the significant influence that it exerts over a whole series of titles. The Center Accord has grudgingly abandoned the idea of setting up a paper of its own (there is now talk of setting up a weekly that is close to the Center politically, but is not actually published by it). These are good signs. To satisfy the aspirations of their own members, parties can issue internal bulletins in which every organizational and intellectual activity within a given movement can be scrupulously noted. Apart from that, influence has to be cultivated through various indirect forms (foundations, companies, and so on).

Nevertheless, it is obvious that pro-government groupings have a preponderant influence in the mass media. The government has simply taken over the legacy of the communist monopoly. Perhaps, although I rather doubt it, state election commissions will manage to curb political influence in the mass media during the election period. Until parliamentary elections are held, something could be done to alter this setup somewhat, primarily by "curbing the influence of government" (but should this assume the form of greater public control and privatization?) in television. Yet the presidential campaign is already in progress, and there is no time left to do anything about this now. If Prime Minister Mazowiecki were to run for president that would, on the one hand, be good for democracy and would provide a choice of different politicians (Prime Minister Mazowiecki's philosophy of continuation and Chairman of Walesa's philosophy of radical breakthrough), but, on the other hand, there are misgivings about whether the government should be directly involved in election campaigning? Moreover, the government is one that has dominated (through the RSW Liquidation Commission) the press and (through the power to issue permits to radio and television stations; a permit has been given to a radio station connected with GAZETA WYBORCZA, whereas as others have been waiting for months) radio and television.

I think that it would benefit the Polish democracy that Mazowiecki and Walesa constantly cite, if, once they have officially been nominated candidates for the presidency, they were to resign from the posts that they hold: prime minister and "Solidarity" chairman. However, I do not think that they will do that. So, am I, perhaps, expecting too much of the Polish mass media when I call for them to become independent?

Mazowiecki Receives Visiting Japanese Delegation

LD1010050190 Warsaw PAP in English 2159 GMT 9 Oct 90

[Text] Warsaw, Oct. 9—A delegation of the Japan Federation of Economic Organizations (Keidanren), headed by its chairman Eishiro Saito, who is also honorary chairman of Nippon Steel Corp., paid a one day visit to Poland today, to acquaint itself with economic, trade and investment conditions for expanding cooperation with this country.

During a meeting with Prime Minister Tadeusz Mazowiecki, the sides touched upon the problem of slow implementation of decisions taken during a visit paid by Japan's Prime Minister Toshiki Kaifu to Poland last January. The sides agreed that the lack of an agreement on the protection of investments slows down the development of capital cooperation and discussed the issue of a more favourable credit support for Japanese firms exporting their goods to Poland.

Prime Minister Mazowiecki presented to the Japanese guests a proposal of joint construction of the North-South Highway and the creation of an environment protection centre. After the meeting, Eishiro Saito told newsmen that the proposal was accepted.

Head of the Japanese delegation Eishiro Saito was received by Polish President Wojciech Jaruzelski.

During the meeting, the sides discussed possibilities for developing Polish-Japanese trade and economic cooperation pointing at the same time to the need for greater involvement of Japanese firms in higher forms of direct investment and capital cooperation on the Polish market.

President Jaruzelski stressed that the success of the programme of economic reconstruction largely depended on the working out of efficient, long-term solutions of the problem of Poland's debt in tune with the postulates presented by the Polish Government.

Eishiro Saito also held talks with Deputy Prime Minister Leszek Balcerowicz, Minister for Foreign Economic Cooperation Marcin Swiecicki, Industry Minister Tadeusz Syryjczyk and Foreign Affairs Minister Krzysztof Skubiszewski.

Japan To Set Up 4 Joint Ventures

OW1010060290 Tokyo KYODO in English 0531 GMT 10 Oct 90

[Text] Warsaw, Oct. 10 KYODO—A high-powered Japanese business mission agreed with Polish Government leaders Tuesday to set up four joint ventures, including one for machine tool production, Japanese officials said.

The other three concern aliminum rolling, production of heat-insulating materials, and potato processing, the officials said. The four joint ventures would cost a total of 31 billion yen, they added.

The agreement was reached by the 19-member mission and Polish leaders, including President Wojciech Jaruzelski and Prime Minister Tadeusz Mazowiecki.

The mission is led by Eishiro Saito, chairman of the Federation of Economic Organizations (Keidanren). It is touring five European countries in two groups, with the other group visiting Czechoslovakia and Hungary before rejoining in Germany.

The proposed joint ventures will be Japan's first full-fledged business cooperation with Poland. Japanese Prime Minister Toshiki Kaifu pledged financial help for Poland's economic reform during his visit last January.

Japan lags far behind other industrial countries in investment in Poland. It has so far set up only two joint ventures in Poland compared with about 500 by German companies.

The four additional joint ventures are being arranged by the Japan International Development Organization (JAIDO), jointly established by the business community and the government-run Overseas Economic Cooperation Fund.

During his meeting with the mission, Mazowiecki urged private-sector help to finance a 500-kilometer expressway project linking the Baltic Sea and Czechoslovakia, and to promote investment in pollution prevention, the officials said.

He was quoted as saying he has asked for Japanese official credits in a letter to Kaifu and that he wants the Japanese business community to offer a helping hand.

Polish economic ministers, including Finance Minister Leszek Balcerowicz, told the mission the government will soon start negotiations with Japan to conclude an investment protection treaty.

They sought Japanese cooperation in improving infrastructure such as telecommunications and road networks, the officials said.

The mission urged the Polish leaders to improve the climate for investment and lending, including legal aspects, they said.

Polish-Lithuanian Export Control Post Opened

LD1010104490 Warsaw Domestic Service in Polish 0300 GMT 10 Oct 90

[Text] The first customs control post in the Lithuanian Republic has been opened on the Polish-Lithuanian borders. The Lithuanian authorities decided in this way to strengthen the protection of the domestic market against the export of goods.

Government Resolution on Shipments To, From Iraq

AU1110151490 Bucharest ROMPRES in English 1430 GMT 11 Oct 90

[Text] Bucharest, ROMPRES, 11/10/1990—"The Romanian aviation authorities shall not permit take-off from Romanian territory of any aircraft carrying from or to Iraq/Kuwait cargoes other than foodstuffs for humanitarian purposes, authorized by the Security Council, or deliveries of strict medical destination or meant exclusively for the UN military observers in the Iran-Iraq conflict" runs a resolution of the Romanian Government sent to ROMPRES.

The Romanian competent authorities, it says, will deny fly-over permission to any airship supposed to land in Iraq or Kuwait, irrespective of the state of registration. Those aircrafts that accept to land on a Romanian airport and be subject to inspection to satisfy that they are not transporting cargoes in violation of Resolutions Nos. 661 and 669/1990 of the Security Council as well as flights approved by the Security Council or certified by United Nations Organization as exclusively destined to the UN military observers in the Iran-Iraq conflict will make an exception from the rule.

The resolution also specifies that the Romanian port authorities shall withhold any ship entering Romanian ports if the said ship has been used in contradiction with Resolution No. 661/1990 of the Security Council or shall forbid entry to Romanian ports with the exception of the cases acknowledged by international law as necessary for rescuing human lives.

Iliescu Receives IMF Managing Director

AU1010161890 Bucharest ROMPRES in English 1503 GMT 10 Oct 90

[Text] Bucharest ROMPRES, 10/10/1990—Michel Camdessus, IMF managing director, and Godard Posthumus, IMF executive director for a group of countries including Romania, were received by President Ion Iliescu at Cotroceni Palace today.

Attending the talk were Theodor Stolojan, minister of finance and Romania's representative at the IMF and the World Bank, Mugur Isarescu, governor of Romania's National Bank, Vasile Secares, head of the political analysis department, Ion Mircea Pascu, presidential adviser, and Mrs. Gabriela Tudor, expert.

Stressing the difficulties inherent in a transition to the market economy, Mr. Camdessus said that as a repository of almost half a century economic experience of its member countries IMF was prepared to assist in the implementation of the governments economic programme, including through credits.

The IMF managing director also said that IMF expert teams would come to Romania shortly to give specialised budgetary, fiscal, monetary and currency exchange assistance.

President Ion Iliescu stated his confidence that the IMF assessments and activities would help give a real image of the changes in Romania and a growing relationship with the international economic and financial community.

Economic Council Session With U.S. Reported

AU1110211590 Bucharest ROMPRES in English 1928 GMT 11 Oct 90

[Text] Bucharest, ROMPRES, 11/10/1990—The Romanian-U.S. Economic Council held its sixteenth plenary session in Bucharest.

The meeting was officially opened by Prime Minister Petre Roman who expressed the wish of the government to promote with Parliament laws that will encourage business between the two countries.

The co-chairmen of the Romanian-U.S. Economic Council, Mr. John Farber, president of the ICC Industries Company, and Mr. Vasile Voloseniuc, president of the Romanian Bank for Foreign Trade, expressed their belief that the 16th session of the council would begin the new era of a more open, positive and commercially beneficial relationship between Romania and the U.S.A.

Larry Napper, deputy chief of mission of the U.S. Embassy in Romania delivered a message from U.S. Secretary of Commerce Robert A. Mosbacher, which noted the excellent opportunity the meeting afforded the participants as well as the importance of expanding trade relations between the U.S. and Romania.

Mr. Adrian Severin, minister, assistant to the prime minister for the reform and relations with parliament, spoke about new and proposed laws on reforming the Romanian economy. He said that the three main areas for reform are: demonopolization of state entities; price liberalization; and convertibility of the leu.

He also highlighted progress in additional laws in the economic/commercial area: the treatment of companies (foreign and domestic); the transfer of profits of foreign investors; taxation; employment rules and the like. He also outlined banking reforms and said that a stock exchange will be established next year. Other Romanian officials also took the floor.

Also speaking were Follet Hodgkins (Lipe-Rollway Corporation) and Thaddeus Kopinski (U.S. Chamber of Commerce) who provided information on privatization and the development of small business touching on both the role of government and the role of new business.

From a U.S. perspective, two presentations were made on capital markets and financial services. Tom Butler, from Manufacturers Hanover Trust Company's Bucharest Office, spoke on the role of Western financial institutions in the economic reform of Romania, Florin Patriciu, of P.S.P. Associates, spoke on other financial sources and the financial needs of starting up business enterprises.

Each session of the program generated many questions and lively discussion on the subjects presented. The participants, numbering over 200 and including for the first time participants from the private sector in Romania, came away from the meeting with a better perspective on economic reform in Romania. The participants had the opportunity to discuss individual business possibilities.

Both sides offered suggestions regarding ways, means, possibilities, and prospects for further developing and diversifying mutual advantageous bilateral trade relations and economic cooperation.

The participants expressed their willingness to further support and encourage the promotion of economic relations between the two countries. In this context the importance of the reinstatement of most-favored nation treatment for the expansion of bilateral trade and cooperation was emphasized.

The council agreed to hold its next session in the U.S.A. in 1990.

U.S. Firm Lectures on Oil Issues in Ploiesti

AU1010110790 Bucharest ROMPRES in English 0906 GMT 10 Oct 90

[Text] Bucharest, ROMPRES, 10/10/1990—"Universal Oil Products", from Illinois, U.S.A., organizes, for the first time in Romania, a series of lectures on the theme technologies of the 90's from 10 to 11 October, at Ploiesti, to crown underway negotiations on the re-equipment of Romanian oil refineries. The above-quoted company cooperated with Romanian partners in the 1920's when it supplied oil processing plants, particularly for catalytic cracking and reforming units and para-xylene separation plants still in operation at Brazi and Teleajen.

Cooperation Reached With Bulgarian Border Towns

AU1110192490 Bucharest ROMPRES in English 1851 GMT 11 Oct 90

[Text] Bucharest, ROMPRES, 11/10/1990—An expert delegation of Calarasi Municipality has visited the Bulgarian town of Silistra, across the Danube, only 12 km away from that county seat. The action was initiated by the Chamber of Commerce and Industry and the Town Hall of Calarasi, with a view to establishing good cooperation relations between state-owned or private economic units in the two border towns. In Silistra, the Romanian guests visited a private company dealing in programme and system making and in mounting electronic equipment for economic, commercial and transport companies and for the administration. The parties agreed to open a computer technology exhibition and to organize a symposium on that subject in Calarasi over October 25-27.

Iliescu's UN Speech Called 'Immoral'

AU1010113690 Bucharest DREPTATEA in Romanian 5 Oct 90 p 1

[E. Mihaescu note: "Incredible"]

[Text] Romania's president, Mr. Ion Iliescu, spoke from the UN podium about the freedom and dignity of the human individual and about democracy. We do not know what went through the minds of those who listened to (and applauded) him in that big hall, which has witnessed so many diplomatic gestures. We are, however, very sure of our feelings—the feelings of the humiliated ones—and of the sorrow that came over us on seeing one of our fellow nationals there, Mr. Ion Iliescu, who called the miners to come to Romania's capital last June. For two days, those miners beat up people in the streets and, together with the police and Securitate members, arrested people and tortured many defenseless citizens. These miners beat us—the editors of this newspaper—and left us without a headquarters and without the means to do our job. Under the guidance of Securitate members and policemen, the miners ransacked the main headquarters of the National Peasants' Christian Democratic Party and caused damage amounting to some 80 million lei. After two days of blood and terror in the streets of Bucharest, President Iliescu thanked the thousands of rowdies and vandals. There is proof of this on videotape, because Romanian Television broadcast the film of Mr. Iliescu congratulating the miners for their deeds in Bucharest. Once back home, President Iliescu will have to give an explanation for his participation in the 13-15 June 1990 events.

We consider the Romanian president's speech to the United Nations an immoral political gesture toward this important world forum, which defies the entire democratic world, and especially the good sentiments of the Romanian people. We ask our journalist colleagues at home and abroad to take appropriate steps to prevent a repeat of such actions.

Public Relations Offices To Be Set Up Abroad

AU1110135090 Bucharest ROMPRES in English 1153 GMT 11 Oct 90

[Text] Bucharest ROMPRES 11/10/1990—For a more efficient promotion of Romania's image abroad, press, information and public relations offices will be set up in Washington, Paris and Berlin, the Romanian Government announced.

The staff of these offices will be appointed by Romania's prime minister, upon the proposal of the Mass Media Department.

Foreign Minister on Upcoming Visit to China

AU1010124790 Bucharest ROMPRES in English 1021 GMT 10 Oct 90

[Text] Bucharest ROMPRES 10/10/1990—My China trip is particularly significant economically first of all, Romanian Foreign Minister Adrian Nastase told daily "ROMANIA LIBERA" on the eve of his departure. We must realize that our products will not be able to compete with Western commodities for some time yet, he went on. China is to us a special potential market. Our economies are complementary and we need now many consumer goods that we could get from China. Besides, starting next year, our two countries will make their payments in freely convertible currency, so specific arrangements must be made in view of the new financial conditions. In the past few years, a new power centre has emerged in Asia and the Pacific, and it is good to see those developments there. And, I will also be able to meet the foreign minister of China, one of the Security Council permanent members. Our foreign policy, while concentrating on Europe, tries through flexible articulations to maintain its links with the other parts of the world.

Parliament Holds Joint Session 10 Oct

Vatasescu Addresses Session

AU1010203190 Bucharest ROMPRES in English 1842 GMT 10 Oct 90

[Text] Bucharest ROMPRES, 10/10/1990—In consideration of the situation we started from and of the way in which people work in Romania, the results of 1990 are below the population's expectations and there are no immediate conditions for a leap next year, showed Anton Vatasescu, minister of state in charge of industry and trade, in a report read at a joint session of the Parliament's two chambers on October 10.

Making a detailed analysis of the economic situation in the first eight months of the ongoing year and in the near future, as was required by deputies and senators in their questions, the minister outlined the true state of the supply of the economy and of the population with farm produce and foodstuffs, with fuel and energy, of the external balance of trade, of deliveries of consumer goods and durables and of the absorption of the population's incomes and of the money surplus in circulation.

As for farm produce and foodstuffs, he said that substantial growths had been registered in the ongoing year as to the same period last year, more particularly with basic foodstuffs, such as meat, milk and eggs, adding to which were the imports and the aid from abroad, which boosted the volumes of sales to the population. Whereas this year food was imported, in next year's first trimester the government suggests that all deliveries to the population should be fully met from domestic resources. The severe drought of the last few months adversely affects the maize production and that is why fodder concentrates have to be imported to feed a larger livestock.

Owing to the farmers' declining interest in cultivating technical plants (sunflower, soy beans, sugar beet) imports will have to be made of edible oil, sugar, soy beans and other products, to be covered from the resources of the external balance of trade and from credits.

The individual farmsteads of the farmers who already boast more than two million hectares of arable terrain and a larger number of animals will make a greater contribution to the population's supply. The minister also showed that the production cooperative farmers obtain on their own plots, together with the payment in kind by cooperative farms, had turned into an important part of the country's agricultural heritage, which will allow of the full satisfaction of consumption requirements and will also provide availabilities, worth more than 450 million lei, to be sold by farmers directly on the free market.

To meet the requirements for farm produce and foodstuff solutions were advanced referring, inter alia, to the use of one million tons of wheat from the state reserves, the rise in the prices for purchases of farm produce from the population, other incentives to encourage the purchase of such products, the complete use of the mills in villages, flexible prices to regulate the demand-and-offer ratio, a stepped-up creation of joint companies with foreign capital, the urgent endorsement by Parliament of the draft laws on land, association and cooperation in agricultural production, contracts on and purchase of farm produce.

Referring to the need to boost the population's supply with fuel and energy, the minister announced that consumption levels in industry would be lowered so as to meet the requirements for thermal and electric power of the population and of non-industrial areas by 14 and respectively 35 per cent as to the same period last year. The problem of supplying thermal power to a number of localities and to Bucharest city, which were affected by the lower amounts of gas in industrial consumers supplying hot water an heat to the population, remains to be solved. The solution will be the production of thermal energy from fuel oil and a halt to the supply to consumers in the productive sector.

As for the external balance of trade, the minister informed Parliament that the growths envisaged in case of farm produce and foodstuffs and of the heat supplied to the population also call for substantial imports, which will put the external commercial deficit in the last trimester of the ongoing year at 1.2-1.5 billion dollars. As many as 88 per cent of hard-currency funds will be allotted to agriculture, industry, energy resources and consumer goods the first conclusion of the analysis of the situation in this area, the minister said, is that the deficit in the balance of trade in convertible hard currency in the fourth trimester of 1990 and the first trimester of 1991 virtually equals the import of energy resources crude oil, fuel oil, fuel coal, natural gas and electric power. As for oil, the minister said, the Gulf crisis and

the rise in the oil price call for an additional hard-currency effort worth roughly 500 million dollars, that is half or so of the external trade balance deficit.

The imports of energy sources on a clearing basis (in rubles) may come from the USSR (crude oil, gas, electric power and fuel coal) and Poland (fuel coal), in conditions in which firm steps will be taken to observe our country's export pledges for the imports contracted on a counter-trade basis, Mr. Vatasescu also said. Imports in the first eight months of the year are substantially higher than those of the same period last year as home production is insufficient it stands at 5,449 million tons of crude, as to 6.22 million, 19,058 billion cubic metres of natural gas as to 23.67 billion, which, primarily, is a result of lower productivity in the economy and higher production costs. The lower production of coal is a result of a shorter workweek (reduced by 14 per cent), of the 18 per cent of the workers who have retired and the 20 per cent drop in productivity.

Considering the failure to achieve the planned production of crude natural gas and coal in the first eight months of the ongoing year, the production loss that results stands at roughly 1.2 billion dollars, in conditions in which domestic consumption of oil products increased 20 per cent in general and twice in the case of the population for gasoline and six per cent in general and thrice in the case of the population for diesel oil. Concomitantly, exports of oil products decreased, earnings from exports declining by roughly 600 million dollars. To correct that situation, the government suggests the implementation of the programme approved for the nuclear power plant in Cernavoda and for the second nuclear power plant of 2,700 MW [megawatts], the reduction of crude imports and of the industrial consumption of electric power and the rise in domestic oil production.

Referring to deliveries of consumer goods and durables to the population, the minister said that although industrial production was roughly 20 per cent lower, the stock of such products increased on the basis of fewer exports and more imports. However, it was adversely affected by a defective distribution in the commercial network and the large amounts that illegally crossed the border, which entailed a true crisis. To meet the population's needs to a greater extent, the minister said, the government programmes envisage the allocation of hard currency to import rice, lemons, oranges, tangerines, grapefruit, bananas, olives, coffee, cocoa, cotton knitwear, ready-mades, textiles, foodwear, cosmetics, etc. This trimester, commodities contracted and paid for in the first trimester will enter the country (roughly 100,000 colour TV sets, 50,000 radio-cassette players and 20,000 video recorders).

The lack of commodities in the stores is also reflected by the population's incomes and spending through the banking system, something to which the minister referred concluding his report to Parliament. He showed that the look of stores and the physchology of the population notwithstanding the sales to consumers were growing although deposits with the savings bank increased by 30.7 billion lei in the last eight months, there still are substantial amounts of money with the population. In five of the eight months, for instance, 13 per cent of the employees' monthly incomes were added to money accumulations, which means 85 billion lei treasured with the population. Therefore, the population's money resources (deposits in the savings bank and the money in circulation 322 billion lei in all) are eleven times or so higher than the commodity stock and the services at a given moment. As a solution, the minister suggested the rise in the production of durables, the control of the commodities that cross the border, a growing volume of services, higher interest rates on deposits with the saving bank, etc.

Considering the complex character of economic activities and the many difficult problems facing the government in implementing its programme, which was submitted to and approved by the country's Parliament, the minister said in conclusion, the government envisages besides the measures already outlined, steps to speed up the application of the laws needed to step up the process of economic and social reforms and to effectively implement them, to urgently apply the decisions concerning the creation of commercial companies in foreign and home trade and in tourism, to change the leu-dollar rate to technologically reequip industry through foreign capital

With a view to stepping up the process of transition to a market economy, the minister said, the government decided, inter alia, to apply privatization measures and to liberalize prices, to implement export programmes and contracts with priority, special attention being paid to the ones countertrading energy resources, to concert efforts to create an image of the country apt to deblock the granting of credits and make up for the losses resulting from our principled position on the application of the Security Council resolutions on the Gulf crisis.

Economy, Supplies Discussed

AU1110153190 Bucharest ROMPRES in English 1434 GMT 11 Oct 90

[Text] Bucharest, ROMPRES 11/10/1990—On Thursday morning, Romania's Parliament resumed its plenum debates on the government's report on the situation in the economy and measures for the population's supply with farm produce, foodstuffs, energy and fuel this winter.

Taking the floor during the debates were leaders of the parliamentary groups in the Senate and the Assembly of Deputies who set forth the stance of the parties they represent on the government's report and advanced suggestions and proposals for an improved population's supply and the resolution of the serious problems in the economy.

The speakers had words of appreciation for the realistic character of the government's report and expressed

critical remarks about the economic policy promoted by the government, which was termed as "ambiguous" and marred by "hesitation" as concerns the applications of the reforms to ease the transition to a market economy. Some of the parliamentarians spoke about a "competence" crisis and a "confidence" crisis and about the government's failure to get involved in the smooth run of the economy.

The lack of decisions was also criticized on the black market, which has gained more and more ground. It was shown there was a shortage of spare parts, materials and consumer goods, which are stolen and sold on the markets of other countries by "international black-marketeers."

As for the supply with farm produce and foodstuffs, it was pointed out that the situation of the agricultural production, despite a droughty year, has improved owing to real accumulations on the part of farmers. However, the situation is far from good. The stores are still empty, with consumer goods and foodstuffs absent despite massive imports.

The leaders of the parliamentary groups advanced a number of solutions—some of them to be immediately applied, others long- term ones—to place agriculture upon efficient bases. In this respect, it was shown that fast steps were needed to adopt a land law whereby ownership over land should go to those who own the land and farm it. This year, too, the state's finances will be affected by the imports of foodstuffs, as cooperative and state units did not manage to meet all the requirements for such products, it was also stressed.

To balance the demand-and-offer ratio, the parliamentarians envisaged a more rapid passage to the liberalization of prices, to thus harmonize the ratio between money and the commodity stock. A number of speakers suggested that terrains and state-owned flats should be sold so that part of the population's money may be absorbed.

It was also shown that one of the difficulties the government encounters in applying the reform programme was the lack of experience of some enterprise managers elected after the revolution who have no ability to understand and apply the new mechanisms of the market economy. A number of trade unions were shown to demand higher wages although professional achievement is low. Most of the speakers stressed the need to reconsider the attitude towards work the only way out of the economic deadlock and appealed to respect for work discipline and for the laws so that we may return to a normal state of affairs.

International Meetings Discussed

AU1010204090 Bucharest ROMPRES in English 1911 GMT 10 Oct 90

[Text] Bucharest ROMPRES, 10/10/1990—On October 10, Romania's Parliament debated the report of the Romanian parliamentary delegation participant in the proceedings of the Council of Europe in Strasbourg concerning the granting to Romania of the statute of special guest to that body's Parliamentary Assembly.

In connection with it, the members of the delegation presented the points of view set forth in Strasbourg and the way in which they had acted to pave Romania's way toward its admission to European political organisms.

The speeches made by the members of the Romanian delegation participant in the Strasbourg meeting emphasized that, regardless their political colour, they had upheld the necessity to grant Romania the special guest statute to the Parliamentary Assembly of the Council of Europe.

The Parliament was informed that, in spite of the efforts made, the Parliamentary Assembly of the Council of Europe had decided to postpone taking that decision until the January 1991 meeting, after having heard the report of a commission to be sent to Romania to study the situation here.

In a resolution adopted on October 10, Romania's Parliament approves of the activity with Council of Europe bodies carried out by its delegation in Strasbourg, over September 26-October 1, 1990, meant to speed up the granting of a special guest of the Parliamentary Assembly status to Romania.

The Romanian Parliament is happy to note that the session of the European Council Parliamentary Assembly has better knowledge and understanding of the situation in Romania and of the problems it is facing, as well as of the measures taken by the new authorities of the country to establish a state of law and a market economy, to ensure and observe political pluralism, to guarantee human rights without any discrimination and to open a dialogue with all political forces wishing to contribute to solving the country's social, political and economic problems.

Romania's Parliament, considering the content of the resolution on Romania adopted by the Parliamentary Assembly, asks the parliamentary commission inquiring into the June 13-15, 1990 events to complete and submit its report as soon as possible.

The government is also required to further act and take the necessary steps, in accordance with the law of the country, for respect for human rights and democratic liberties, including individual and community rights of all minority groups, in the spirit of the resolution's recommendations.

During its plenary session of 10 October the Parliament adopted a resolution whereby it declares for the equal participation of all European states in the building of a united, peaceful and democratic Europe.

In this context, Romania's Parliament backs the institutionalization of the European Assembly as a parliamentary body of the CSCE and shares the opinion that the

next summit meeting of the CSCE member states due in Paris over 19-21 November 1990 can have a historic importance being called to ratify the accords on the reunification of Germany and the substantial reduction of conventional troops in Europe and make decisions regarding the institutionalization of the CSCE process.

Romania's Parliament expresses its wish that the CSCE summit take into consideration the potentiality represented by the European and Atlantic organizations as well as the corresponding UN regional structures; ensure a permanent parliamentary participation in the CSCE process through the agency of the European Assembly (founded on the basis of the Parliamentary Assembly of the Council of Europe). The European assembly will be the interlocutor of the governments of the CSCE countries and of all CSCE intergovernmental institutions to be set up.

Session Ends; Roman, Martian Speak

AU1010204390 Bucharest ROMPRES in English 1911 GMT 10 Oct 90

[Text] Bucharest ROMPRES, 10/10/1990—Taking the floor during the Wednesday plenary session of the Parliament, Premier Petre Roman insisted on the fine results scored in agriculture, stressing that after 45 years one can say for the first time that a real wealth was in the hands of the farmers and pleading for the stimulation of a direct association among farmers within an adequate legal framework.

As for industry the premier said that the old norms were said to be Ceausescu-style but now we fell from one extreme into another. He stressed that the following week the government would make a rigorous analysis and show why the country cannot indulge itself in that situation which does not help putting the economic machine back into operation.

Speaking about the objective aspects of that situation Mr. Petre Roman showed that the aberrant frenzy of the past five years of paying off the foreign debt led to a continuous degradation of all industrial plant and equipment and that this year it was for the first time that the overhauling and repair operation were performed correctly which had as consequence the halving of the number of accidents. The very bad condition of industrial equipment calls for its revamping Romania having established numerous contacts with foreign companies but lacking the appropriate legislation to guarantee investment and partnership which the government will initiate as soon as possible.

Referring to the dissonance between the population's incomes and the commodity stock the premier pleaded for the liberalization of prices stressing that the government would set forth its intentions in this direction also next week.

We are facing a generalized economic falseness. We no longer accept this system, we must destroy it if we want a sound economy. This government sees no other solution, he said in conclusion.

The October 10 session of the Parliament ended with a speech delivered by Mr. Dan Martian, speaker of the Assembly of Deputies, who said that, in his opinion, sending a delegation to Strasbourg with a representative structure for Romania's Parliament's political configuration had dissipated any prejudice on the part of the skeptical and proved that political pluralism was a reality in Romania. The speaker pointed out that many things had become more clear and the situation in our country could be judged according to better defined criteria, as a result of the parliamentary delegation's fruitful activity. Following that productive activity some of the preconceptions regarding Romania were changed.

The Parliament adopted a number of resolutions. In connection with the appeal sent by the Constituent Assembly of the People's Republic of Bulgaria to Romania's Parliament, expressing agreement with the idea of a further constructive dialogue between the two countries in order to find the best solutions to matters of mutual interest, Romania's Parliament adopted an answer to the Constituent Assembly of the People's Republic of Bulgaria, showing that the Romanian legislative forum shared the views contained in the appeal, at the same time pointing out that certain phenomena and realities ought to be thoroughly examined.

Romania's Parliament will resume its proceedings Thursday, October 11.

Interior Ministry To Be Monitored by Commission

AU1010150590 Bucharest VIITORUL in Romanian 4 Oct 90 p 1

[Unattributed report: "On Behalf of the Press Bureau of the Ministry of Interior"]

[Text] At the request of Mr. Doru-Viorel Ursu, Parliament has appointed a commission made up of Deputies Marcel Chiritescu, Rene-Radu Policrat, Ion-Oltea Toana, Nicolae Enescu, and Gheorghe Glavan—representatives of the National Salvation Front and the National Liberal Party—with the aim of verifying and assisting the activity of the Ministry of Interior.

The main objective of this action—the first of its kind after the 1989 December revolution—is to examine the way in which the process of democratizing organizational structures and management is taking place, and how the participation of the Ministry of Interior apparatus in fulfilling its tasks, particularly in the area of maintaining public order and peace and of protecting the lives and integrity of individuals and property.

Another objective of the parliamentary commission is to examine how cadres, who were compromised before and

during the revolution, have been removed from that ministry, and to continue the process of verifying cadres. The commission members are to go to units, hold meetings with cadres, and study the way in which police units, gendarmeries, firemen, passport authorities, and others are fulfilling the tasks and mission entrusted to them.

One of the main concerns in this verification process is to examine the legal framework within which the Ministry of Interior bodies are carrying out their work. They are also to examine the preparation stage of the draft laws on the police and gendarmerie, which the parliamentarians propose to study and which they plan to help to finalize. The commission members also propose to accelerate the presentation of these laws before the elected representatives of our nation.

The conclusions drawn by the commission will be presented to Parliament, thus contributing directly to the general democratization process of the Romanian society and to the establishment of a state of law in our country.

Increase in Meat Supplies for Winter Noted

AU1010111090 Bucharest ROMPRES in English 0908 GMT 10 Oct 90

[Text] Bucharest, ROMPRES, 10/10/1990—The autumn agricultural campaign and the state of the new land law were referred to by State Secretary Marin Capisizu at a news conference.

Speaking about the population's foodstuff supply Mr. Marin Capisizu emphasized that the meat in stock and the animals to be slaughtered will ensure 63 kg of meat this year (tinned or cooked meat included) per capita, 24 kg more than last year. Efforts are made to ensure the necessary quantities of sugar, edible oil and potatoes from home production and from import, to improve milk and dairy produce and supply of the eggs.

Citizens Surveyed 'Firmly Reject' Egalitarianism

AU1010135290 Bucharest ROMPRES in English 1305 GMT 10 Oct 90

[Text] Bucharest ROMPRES 10/10/1990—The Romanians firmly reject egalitarianism, a Romanian public opinion poll institute surveys of economic reform and its social costs shows.

The sample comprised 2,190 persons and is representative for Romania's population above the age of 17.

Only 28 percent favour an equal division of the national wealth in view of privatisation, against 63 percent who would like the division to be done on different criteria; 42 percent fully agree that the current government has good ideas and initiatives but their fulfilment is prevented by lower-level managers, 38 percent agree only in part with this assertion, and 7 percent disagree.

Yet the Romanians do not have the courage now to invest in private business, they would rather wait, say 62 percent, which compares with 20 percent who would rather take the risk now. Instead, the Romanians would like to work in a private enterprise 47 percent, which compares with just 41 percent who favour work in a state enterprise.

On foreign capital investment, 5 percent favour a sale-out of the enterprise, 57 percent would like capital-sharing and 22 percent both.

At the same time, the passage to the market economy gives cause for concern. The first possibility that recurs is mounting social disorder 29 percent, followed by price rises 18 percent unemployment 17 percent. Other causes are: Money shortage 13 percent, food shortages 7 percent. Only 23 percent would understand price rises for certain products and services compared with 61 percent who would not.

The Romanians are optimistic: 68 percent are hopeful that things would improve next year, 22 percent think that they would be worse next year. 70 percent of the respondents expect to live better in three-four years' time, which compares with just 12 percent who think they will fare worse.

Furthermore, government activity is rated good by 33 percent satisfactory by 46 percent and poor by 21 percent. On the government's economic programme, 49 percent expect it to be successful, 16 percent rated it as unsuccessful and 35 percent are undecided.

As far as the social climate is concerned, only 23 percent of the subjects are of the opinion that trade unions play a positive role in economic recovery, against 25 percent who judge their role as being rather negative, and 33 percent who think they have no role at all. Moreover, 3 percent appreciate the strikes as having a reason, about 47 percent look upon them as unjustified, with 20 percent undecided.

A general conclusion: The Romanians take a favourable view of privatisation which they would like to be more rapid and are against egalitarianism. However, there are not many people who would take risks in this new economic circumstances, and the passage to the market economy brings with it some concern chiefly related to inflation and unemployment. Government rating is pretty high and the Romanians are optimistic, in spite of current difficulties.

Report on Current Economic Situation

AU1210113890 Bucharest DREPTATEA in Romanian 4 Oct 90 p 1

[B. Mihai article: "Where Is the Key?"]

[Text] The harvesting of what is left over continues in the fields. There is not much there, in fact, much less than those who made a bet in spring expected. And they lost the bet!

People do not work in enterprises. Why? Because they lack raw materials. People do receive their salaries, however, and sometimes even bonuses. There are strikes; workers are requesting the return of certain rights which have been stolen from them by the old communist leadership. The current leadership does not know where to get the money. We have reached the bottom of the barrel; however, we have not sold our country to the capitalists! They should stay in the West with their own problems and with their own sausage. We have our own sausage, but you cannot find it in shops, just like you cannot find flour, meat, milk, cheese, fish, and so forth.

We drove away those who came to assist us. We drove them away with words, with deeds, and with clubs. They returned to their own homes and tell the story. People are listening. At the beginning they cannot believe it, but later, when they are convinced, they turn off the tap. Furthermore, the shelves of our shops remain empty. Europe is turning its back on us and is leaving us much poorer then we were in December 1989. The rationing of foodstuffs returns, and now it is only on a certain number of products. We have, however, been "promised" that the variety of rationed foodstuffs will increase. To make a long story short, the situation is exactly like it was during the war. The authorities are looking for victims, because they are the ones who have destabilized the situation; without them, life would be rosy in Romania. We will, however, eliminate the peddlers who sell products which have never been seen in state units and then one will see results! Likewise, there is a danger that those who dare to open a booth to sell sausages, cotton candy (from where?), cigarettes, perfumes, and other small items will get rich. So let us try to catch them by imposing taxes, a fixed value-added tax, and checks. We will do that until they go bankrupt. This way, they will learn!

It is true, there are voices—though not everywhere—which remind us of certain promises made in December during some working visits, but mostly of promises made in May.

Some villages even drive away the former nomenklatura. They have the courage to do so, even if the mayors have to pay for it—and they have to pay dearly. What can you do? The police, gendarmerie, and the Romanian Information Service are watching; they are defending the revolution.

The trials of the old leadership continue in various courts. In the beginning, those trials were broadcast on television; however, there was too much laughter because they closely resembled a parody. As a result, the trials were no longer televised. We sent some of those being tried home, because they got too pale from eating only the contents of packages received from we know where, and those people who remained "locked up" should behave. The "country" will take care of them. They will soon sit in their armchairs again, and will have a ministerial limousine at their doorstep. They only need to get over the big hurdle, to get through the coming winter. The workers and the peasants should behave themselves; they should understand that collective property is the key to success. If need be, they will be "helped" by certain bodies to understand. The intellectuals who do not understand the good deeds of the current leadership are free to leave. Anyway, at one time they occupied University Square [Romanian word for square, "piata," also means market] together with the students. We need free markets, especially the Common Market.

* Economic Situation Provokes Mass Exodus

90BA0307B Bucharest VIITORUL SOCIAL in Romanian 7 Sep 90 p 1

[Andrei Alexandrescu article: "800,000!"]

[Text] If it is true that about 800,000 Romanian citizens have left the country since 1 January (100,000 a month), we can soon expect either the depopulation of Romania or the reenactment of coercive measures concerning the right to travel abroad. There still is a solution. The only rational solution is for the government to manage an economic improvement soon that will bring back the strays... But that is not yet possible, urgent as it is. Why not?

—Legislation favorable to development of a market economy is in the birth throes, so that the greatly desired economic change has no birth certificate.

—There are still persons on the staff of the state organization or descendants of theirs with cryptocommunist convictions. On the pretext of impartiality the worthy elements who did not belong to the party organization or even to the party are still being pushed aside on the false principle that the competent people were all party members.

—The role of the opposition forces and parties is still ignored. The lack of any dialogue with the administration is due to the administration...

The outrages and abuses of the communist period are far from being eliminated. The victims of them are still awaiting moral and material rehabilitation. There is no question of a climate favorable to a market economy or of protection of private entrepreneurs if those who were robbed four decades ago in accordance with communist ideology are not rehabilitated morally and, as far as possible, materially. That is the only guarantee that such things will not happen again.

—The serious economic condition of the country is not explained to the people honestly, nor what is required of them.

—They are trying to cover up the mistakes made by the government and the leadership of the country in the period since the revolution so that the mistakes will not be exposed and sanctioned accordingly.

The thirst for power is greater than the thirst for truth and justice, and therefore they go on lying...

—Foreign investments, the only salvation, are slow in coming because of the political and economic instability of the country due to the above-mentioned reasons. Some Western entrepreneurs are amazed to find that the same personnel and security men [securisti] as before are contacting them as trade agents.

In this situation the national economy is becoming more and more precarious and people more and more indifferent. Many of them declare their love of the government and the [National Salvation] Front openly, and yet they are ready to go on stealing or grafting... Their words are not borne out by their actions. Some, thinking things have taken a dangerous turn, are giving up all hope and taking the path of exile, from the massive pro-Front vote to the vote... to run. The country is being emptied of workers and intellectuals alike. Sometimes the poor man's broth in the West is preferred to a secure (?) salary in Romania.

And then what is to be done?

Nicu Ceausescu's Sentence Declared Final

AU1110203290 Bucharest ROMPRES in English 1912 GMT 11 Oct 90

[Text] Bucharest, ROMPRES, 11/10/1990—Nicu Ceausescu arrested again the Military Section of the Supreme Court tried on Thursday, October 11, the appeal against the ruling passed on September 27 by the Bucharest Territorial Military Tribunal whereby it had admitted the request to suspend the investigative arrest of Defendant Nicu Ceausescu.

The court annulled the ruling and maintained the investigative arrest of the defendant, who shall be treated in the hospitals under the general penitentiary department. The defendant is to be admitted to specialised clinics every six months or whenever his health will require it.

The decision is final.

Former Ceausescu Guards Acquitted

AU1210142290 Bucharest ROMPRES in English 1316 GMT 12 Oct 90

[Text] Bucharest ROMPRES, 12/10/1990—The ruling of the Bucharest tribunal of 7 March which acquitted four ex-officers of the Fifth Guard and Security Department—Aurel David, Florian Rat, Paulica Tanasie and Marian Rusu—has been upheld by the Higher Court of Justice—the Military Department when it turned down an appeal filed by the Military Prosecutor's Department. [sentence as received]

The four former security officers were tried on charges of favouring the flight of the dictator and his wife from the party headquarters on 22 December 1990.

Ministry Statement on Student Accommodation

AU1010110490 Bucharest ROMPRES in English 0930 GMT 10 Oct 90

[Text] Bucharest, ROMPRES, 10/10/1990—The accommodation for Bucharest students has turned lately from a strictly administrative problem into a pretext for agitation on themes unconnected with education, a Ministry of Education and Science Statement says.

The new spirit ushered in by the December revolution has shown in education maybe more than in other spheres. Suffice it to show that the number of freshmen taking day courses has nearly doubled from 22,000 to about 40,000 that the extension of the four-year terms in higher school to five years has further increased the number of students, that new universities, faculties and departments were set up. To cope with this spectacular growth the ministry did all it could possibly do. With the exception of Bucharest, no problem was reported in any of the other 18 academic centers.

However, in Bucharest, with government assistance, the ministry could find further accommodation for students—blocks of one and several-room flats, and three hotels—Cismigiu, Universal and Tranzit. Of the total number of 30,320 students only 1,800 Bucharest students who are not scholarship recipients is accommodation still a problem. All Bucharest scholarship recipients have had their accommodation problem solved.

By going into the details of this administrative problem, the Ministry of Education and Science actually took over a social task of the higher learning institutes and students organizations. And by so doing, the ministry complied with an emergency situation. Things will be different in the next academic year as in no European state must the state or the university give accommodation and boarding to students living outside the city, the statement says.

The idea that the state must take care of all student problems from food and living space to jobs is a reflex of a paternalistic approach characteristic of a totalitarian state but is out of place in a free society.

However strange it may seem, the statement goes on, the capacity of student hostels is such that all non-Bucharest students could be accommodated. The problems are caused only by students Romanian and foreigners who have been living in those hostels for some time and who either have shown no understanding for their colleagues, or refused to move saying that new hostels are too far away from city center.

The Ministry of Education and Science has already worked out comprehensive programme that must be achieved during 1990-1991. As a result, the teaching and living space will be expanded, and a Bucharest University Campus will be formed.

Iliescu Apology for 13-15 Jun Events Requested

AU1110141790 Bucharest ROMANIA LIBERA in Romanian 2 Oct 90 p 2

[Petre Mihai Bacanu note: "A Gesture"]

[Text] How can we repair the harm done to Romania abroad when we called the miners to Bucharest? It must obviously be done through diplomacy. Credible diplomats should explain to foreign countries that the incident involving the miners was a mistake made by the people in power, and that Romania's image in the world is the one projected by those in power. Even if all the people in Romania who oppose the government were to simultaneously cry for help from abroad for Romania, it would not be enough to regain that unique chance—one which no other country ever had—because today we are more isolated than before 22 December. A single gesture is enough to regain our credibility: Mr. Iliescu should apologize to this country's young people, who organized the revolution. That would be the least amount of remorse he could show and the lightest penance he could serve. In this way—we are sure—those in power would quickly learn that the economy cannot be healed without first healing our society and that the economy cannot be liberalized without first liberalizing our society. Those in power are starting to learn not to hold a grudge against those who criticize them. Not all criticism is an attack. Let us also hope that Mr. Iliescu will be the last to be invited by the Parliamentary Commission investigating the 13-15 June events.

Newspaper Complains of Official Harassment

AU1110144590 Bucharest DREPTATEA in Romanian 5 Oct 90 p 1

[E. Mihaescu article: "A Disclosure"]

[Text] Now, more than four months after the elections, the Press Delivery Directorate has told us something that has roused our indignation (as it should that of any man with democratic sentiments in this country which has been struggling with all kinds of totalitarian systems for more than 50 years) and which also casts a light on the way in which the National Salvation Front [FSN] and its leaders, Messrs. Ion Iliescu and Petre Roman, won last May's elections.

This is what it is all about: In the 3-15 May 1990 period—that is, just before the elections—more than 1 million copies of DREPTATEA were returned unsold; that is more than half the number of copies printed in those days which proved to be important for the country's future. This fact was brought to our attention only now, in October, meaning that the National Peasants Christian Democratic Party [PNT-cd] was deprived of an important campaign tool at that most crucial time. To complete this mockery, we have now been asked to pay for the return of those copies. The time was chosen very well, as we are currently without funds due to this kind of practice and to the fact that the distribution of DREPTATEA continues to be hampered.

There is the danger that DREPTATEA, the main and most resolute opposition daily in our country, will no longer be published. We believe that with the disappearance—even if only temporary—of our daily, the democratic process in Romania will suffer quite a lot, thus leaving open an important gap for the neo-communist offensive.

Such abusive practices and situations are clear indications of the FSN's, Mr. Ion Iliescu's, and the Petre Roman government's intentions. Communism and neo-communism simply refuse to leave the Romanian scene, and spare no effort to stay in power and continue their oppression. The current difficulties faced by DREPTATEA, the press organ of the PNT-cd, a party of great democratic tradition in Romanian society, are clear proof of the low stage at which Romanian democracy finds itself under the Iliescu regime.

Report on Croat, Slovene Draft Confederation Pact

LD1110204790 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 11 Oct 90

[Text] After the Croat and Slovene Presidencies jointly presented a model of confederation, a working group of the Croat presidency submitted a draft treaty on a Yugoslav confederation or a union of the Yugoslav republics. In publishing the draft treaty, the working group stressed, we have made a further step toward the possible consolidation of the proposed model of a confederation, compiled by the Croat and Slovene Presidencies.

In the proposed treaty on a United States of Yugoslavia [Savez Jugoslovenskih Drzava—SJD] or on a United States of Southeast Europe [Savez Drzava Jugo-Istocne Evrope—SDJIE], on behalf of its peoples, the Republic of Croatia and the Republic of Slovenia express their faith in moral values shared by all Western European nations, values which are grounded in individual rights, political freedoms, and the rule of law, which, in turn, provide foundations for all real democracies. The Republic of Croatia and the Republic of Slovenia reject the subjugation of a nation or any other ethnic or religious group by another nation.

They reiterate their committment to the principles of private, cooperative, share-holding, public, and mixed ownership, and of entrepreneurship and creativity. They believe in joint economic and social progress and in mutual cooperation as the basis for the economic, social, and personal safety of every individual. They are forming a union for the sake of external security of the union and for the protection of the independence and territorial integrity of each member state of the union. In this way, they are hoping to contribute toward European security and stability, and to promote integration processes among all European nations and states.

On the basis of the inalienable and unexpendable right of each nation to self-determination, including the right to secession and to form unions with other nations and states, the Republic of Croatia and the Republic of Slovenia have decided to form a United States of Yugoslavia or a United States of Southeast Europe.

Under Article 1 of the Principles and Mutual Guarantees, member states of the union recognize each other's fundamental rights to survival, independence, and equality. They pledge not to interfere in another state's affairs within the state's field of competence, except when international law or this treaty permit interference. They will not sign international agreements aimed at harming the union, or which are at odds with this treaty, or are detremental to any member state of the union.

The union member states pledge to protect the independence of the union as a whole from any external attack. To this end, the treaty is setting up a system of collective security and mutual defense.

The union member states pledge to consistently observe and adhere to the 1950 European Convention on the Protection of Human Rights and Fundamental Liberties.

Citizens of any union member state living in any other union member state, have equal rights with the citizens of that member state, including civil and political rights. Citizens of any union member state have the right to free movement in the territory of any other union member state. The free flow of labor is also guaranteed.

By accepting obligations laid down in the treaty, other states can become members of the union, granted that they have established a democratic and parliamentary system of government through free, multiparty, and secret elections with universal and equal right to vote, and have ensured the freedom of expression and the representation of the will of the electorate, and have already established the right to ownership, the freedom of entrepreunership, and the complete freedom to form unions.

Union member states have their own armed forces. Union member states will place a number of their forces under a union command and, in line with this, will form appropriate bodies.

On the territory of the union, a technologically and economically harmonious system of postal, railway, and telecommunications services will be in operation as well as a uniform customs area and a shared market and monetary system.

Citizens of each member state have the right of free movement on the territory of any other member state of the union as well as freedom of movement of the work force.

The chief organs of the union are: an advisory parliament, a council of ministers, an executive commission, and a confederal court. Each member state's citizens will elect 50 deputies to the advisory parliament by secret and direct ballot in a uniform electoral system which is endorsed by the council of ministers who will hold their sessions four times a year. Emergency sessions are scheduled at the request of the majority of deputies or at the request of the council of ministers or executive commission. Each member state is represented in the council of ministers by one representative.

To preserve the union and achieve all the goals envisaged by this treaty the executive commission is in charge of the implementation of the treaty provisions and addenda and of measures the union's organs adopt or are dutybound to adopt in compliance with this treaty. It will submit recommendations and its views on questions regulated by the treaty. The executive commission comprises 13 members which are appointed in agreement by the member states' governments to a four-year term of office.

The confederal court will ensure respect for the law in interpreting and implementing this treaty and its

addenda. It comprises 15 judges, elected among persons of the highest moral reputation. The judges are appointed in agreement by the governments of the member states of the union to a nine-year term. At the same time, in order to exercise their shared competences and interests, special agreements between member states may provide for the formation of organs and organizations of the union, whose headquarters will be determined by those member states by mutual agreement.

The union's member states confirm their dedication to the principles and aims of the UN Charter and their wish to live in peace with all other nations and countries, while particularly aspiring to the advancement of peace and stability in Eastern Europe. Within the framework of this union, they will establish the principles and bodies of their system of shared defense. The main principle of this system is the concord between the member states of the union that they regard any armed attack on the territory, ships, or aircraft of any member as an attack on all of them. In such a situation the union member states obligate themselves to exercise the right to individual and joint defense, endorsed by article 51 of the UN Charter.

In principle, joint military action will be carried out by those parts of the armed forces of the member states which subordinate themselves to a joint command staff. Each member state decides independently on deploying that part of its armed forces which is under its own command.

The member states will establish a joint command staff and military-political council, for the shared parts of the union's armed forces, which are to discuss and decide instantly on the implementation of joint defense.

The union's general and allocated expenditure, its diplomatic consular missions, joint general staff, administrative expenditure etc., are to be financed through each member state's membership fees which are set by a combination of its social product per head (40 percent), the size of its state territory (30 percent), and the size of its population (30 percent).

The union maintains diplomatic relations with other countries and relevant intergovernmental and international organizations.

The successive and closing provisions stress that the member states will sign a special agreement about all the questions of succession stemming from the restructuring of the Yugoslav federation into a confederation. The member states and signatories of this treaty will ratify the treaty and carry out its provisions in concord with their respective constitutional provisions.

Instruments of ratification will be submitted as soon as possible to the government of the Republic of Croatia which will inform all the other member states of this treaty. The treaty will come into force between states which have ratified it on the day the instruments of ratification are passed.

After this treaty has been in force for ten or five years or at any time afterwards the member states of the union will consult each other about revising this treaty or dissolving this union.

Depending on the further development and expansion of European integration, the member states may abandon or dissolve the union, either individually or together, that is, by their own decision or at the request of the council of ministers, and apply for membership in the European Community even before the aforementioned term.

The wording of this treaty, written in the official languages of the member states, is faithfully rendered in all its editions and will be kept by the archives of the Government of the Republic of Croatia.

Slovene, Croat Party Officials Meet 10 Oct

LD1110143890 Belgrade TANJUG Domestic Service in Serbo-Croatian 0843 GMT 11 Oct 90

[Text] Ljubljana, 11 Oct (TANJUG)—The Slovene League of Communists [LC]-Party of Democratic Renewal and the Croat LC-Party of Democratic Change, headed by party presidents Ciril Ribicic and Ivica Racan, met last night in Otocac.

According to the Information Office of the Slovene LC-Party of Democratic Renewal, the talks concentrated on the situation in Yugoslavia and preparations for the Slovene and Croatian LC's party congresses which will be held soon.

The delegations also discussed the importance of the existence and activity of the left-wing democratic opposition in Slovenia and Croatia, obstacles facing both republics on their way to independence, and negotiations about a confederal system.

Slovenia's Kucan on Secession, Confederation

LD1110211890 Belgrade TANJUG Domestic Service in Serbo-Croatian 1811 GMT 11 Oct 90

[Text] Ljubljana, 11 Oct (TANJUG)—Yesterday's debate in the SFRY Presidency showed that the federal and confederal concepts are so different that it is not possible to find a compromise between them, Milan Kucan, president of the Slovene Presidency, said this evening in talks with foreign and domestic journalists.

It worries me that the matter is rapidly approaching a denouement and it is more or less clear that Serbian politics want to force a solution prior to elections in Serbia and to eliminate Slovenia from this Yugoslav discussion by driving it into secession proceedings. I also have the impression that the Presidency has taken fright at the fact that they have received the two concepts they wanted, but perhaps did not count on these concepts being as they are, on showing up the important differences in views and understanding of the independence of

republics, their sovereignty, the real essence of coexistence, the free involvement of republics, and the causes of the Yugoslav crisis. Now the two concepts are here, a choice of one of them has to be made, and the time for the decision is getting nearer, Kucan said.

In reply to a question from a CNN journalist as to whether there exists complete agreement in Slovenia on secession, Kucan stressed: "In the Slovene leadership there exists complete unanimity that secession is not our basic and fundamental variant. Secession is, I would say, the reserve variant. If it is not possible to realize a basic choice in favor of the creation of a confederal position for Slovenia in Yugoslavia with the right to self-determination and full economic and political sovereignty, whether for international or Yugoslav reasons, then we would have to decide on becoming independent, and not on secession."

Kucan added that this decision will not depend only on Slovenia. The question is, he added, whether the other republics in Yugoslavia are preparing to acknowledge such a position for us. Slovenia is not imposing a confederal position on anyone; we are only making an offer.

In reply to a journalist's question on whether Slovenia and Croatia will make adjustments to their confederal proposal, Kucan said that he had not yet consulted his colleagues in the Croatian Presidency, but that he personally thinks there is nothing to be adjusted. That is the model and there is nothing to add to it.

The confederal model was not drawn up to impose it on anyone, Kucan said. He also added that the Federal Executive Council [FEC] has a particular solution to the Yugoslav crisis. The FEC considers that the solution lies in the continuation of the reforms already underway and is therefore proposing constitutional amendments. The FEC justifiably anticipates that Yugoslavia needs more time to arrive at a solution to this crisis, and that this is tied to the elections which are pending in other Yugoslav republics. These elections will legitimize different collocutors, Kucan said, and added that it is in that light that he sees the pervading nervousness and pressures to forcibly resolve matters prior to the elections. This is a decisive moment which calls for wisdom, Kucan assessed.

In reply to journalists' questions concerning the internationalization of the solution to the Yugoslav problem, Kucan stressed that the Yugoslav problem is already internationalized, but unfortunately because of the danger to interests in Europe. I do not want this region to go up in flames for the second time in the same century. I do not want the Lebanonization not only of this region, but of this part of Europe. I do not believe that any sober-thinking person in Yugoslavia intends to use force in support of, or with the aim of resolving problems in such a manner. Such a conflagration would certainly draw in the rest of Europe, and it is the wish of Europe that no one in Yugoslavia faces this temptation. The outside world is constantly sending us this message, Kucan concluded.

Viability of Independent Slovene Army Questioned

LD1110154690 Belgrade TANJUG Domestic Service in Serbo-Croatian 1308 GMT 11 Oct 90

[Text] Belgrade, 11 Oct (TANJUG)—If Slovenia is to have its own army and its own military industry and the capacity to maintain a 20,000-strong peacetime contingent, its economy would immediately have to set aside about $8 billion. The duration of the military service in the independent Slovene army would have to be two and one half to three years since Slovenia simply does not have at its disposal enough young and healthy people for an army of the size envisaged by Janez Jansa in his plan, Miroslav Lazanski writes in the Belgrade-based fortnightly INTERVIEW.

In an article entitled "Illusions About National Armies," Lazanski analyzes plans by the new authorities in Croatia and Slovenia for a confederation and in that context their advocacy for independent armies. The article also looks into concepts elaborated by Slovene Defense Minister Janez Jansa in issue 95 of NOVA REVIJA.

Under Jansa's ideas, the land army would be 16,000 to 17,000 strong; the airforce, 2,500 strong; the navy 1,000, and the reserve forces bwetween 40,000 to 60,000 people. According to this concept, in the event of war, the Slovene army could increase to about 190,000 soldiers.

The extent to which some political leaders in Croatia and Slovenia are capable of making light of their ignorance in the case of military issues is unbelievable. No wonder that message sent by foreign military envoys talk about "amateurs and adventurers engaged in military issues."

What consequences the switch from military industry for Yugoslav People's Army requirements to small-scale production for the Slovene army would have for the Slovene economy is not discussed at all. In fact, leading Slovene politicians are completely unaware of Slovenia's national combat potential.

The proponents of the confederal model in which to organize armed forces ignore the fact that a similar model is unknown in military history and in the history of military power. Comparison with the EEC and NATO does not hold good. The EEC is simply an economic grouping or association and not a confederation, while the national states of Europe, the United States, and Canada and their national armies are in NATO as fully sovereign states. For NATO officers the issue of "the national rifle on the national shoulder" from the military point of view is a pure anachronism today, Lazanski says.

Croatia's Tudjman Views Recent Unrest, Violence

LD1210045390 Zagreb Domestic Service in Serbo-Croatian 2100 GMT 11 Oct 90

[Text] Dr. Franjo Tudjman, president of the Republic of Croatia, today answered questions from foreign journalists.

Dr. Tudjman said the terrorist actions and roadblocks in Croatia are a part of a well-known scenario, the aim of which is to influence the outcome of the elections in the eastern part of the country and distract attention from the situation in Kosovo. The Croatian government is continuing to show great patience in the hope that bloodshed, as the ultimate aim of this scenario which is attempting to provoke a military coup, can, nevertheless, be avoided. However, the Croatian rule-of-law state will not tolerate for much longer the forest brigandry blocking transportation in a part of Yugoslavia, thus also blocking it in Yugoslavia and Europe. President Tudjman stressed that he hoped that the democratic elections in the other republics would create conditions for the victory of reason and dialogue.

In reply to the direct question as to whether Croatia intends to seek other collocutors apart from the official Serbian circles, Dr. Tudjman replied in the affirmative, but with the qualification that the majority of the opposition parties in Serbia are not as yet showing readiness for rational dialogue.

In reply to a question on whether Croatia will seek the intervention of the army to clear the roads, Dr. Tudjman replied that the democratic Croatian Government can do this alone, but that for the normalization of the situation it is endeavoring to achieve the agreement of the federal organs, which includes the army.

In reply to a question from a journalist from LA STAMPA, of Turin, as to what the Republic of Croatia would do if Slovenia adopts a decision on secession, President Tudjman said that Croatia would, in that case, itself consider what to do next.

At yesterday's session of the SFRY Presidency, according to Dr. Tudjman, unequal treatment was given to two different initiatives. Attempts are being made to force the plan for a reformed federation through the SFRY Assembly at any cost, even though there is no chance of this. In addition, the great scenarists are attempting to force Slovenia out of Yugoslavia to more easily carry through the greater Serbian concept and put even greater pressure on democratic Croatia. However, Slovenia and Croatia remain determined that only their confederal relationship with the other Yugoslav republics is possible.

Dr. Tudjman presented in more detail the stands of the other republics at yesterday's session, noting that neither Bosnia- Hercegovina nor Macedonia are in favor of such a proposal for a reformed federation, which is more centralist and unitarist than ever before, and that the majority of the democratic parties in these two republics are in favor of a confederal solution.

Serbian Party Statement on Tupurkovski Visit

LD1110110890 Belgrade TANJUG Domestic Service in Serbo-Croatian 2106 GMT 10 Oct 90

[Text] Belgrade, 10 Oct (TANJUG)—In connection with a visit to Knin by Vasil Tupurkovski, member of the SFRY Presidency, the Belgrade-based Serbian Democratic Party [SDS] has issued the following statement:

"The delegation headed by Tupurkovski was in no position to gain any insight into the actual state of affairs since it was not given the opportunity to talk to the legally elected leaders of the Serbian Democratic Party as the sole representatives of the Serbian people in Croatia. For instance, to avoid persecution by Croat authorities, the presidents and vice presidents of the Petrinja and Glina SDS branches have, together with dozens of other people, taken refuge in surrounding woods.

"According to information at the party's disposal, it is obvious that at work is a well-elaborated scenario designed to provoke incidents which can then be attributed to the SDS. The main protagonists in these provocations are Croatian Democratic Community members, most of whom are prisoners serving long-term sentences who are being released from prison precisely for this purpose.

"The purpose behind the seizure of weapons—which, in addition to militia stations, are also being stored in Catholic monasteries and churches—from the reserve militia units is to discriminate against Serbs in the militia forces, frighten and provoke the Serbian people, and discredit the SDS with the main objective of reestablishing and defending an independent state of Croatia.

"In light of all this, the SFRY Presidency must insist on gaining a full and objective insight into the situation in Croatia and must take adequate measures without any further delay," the Belgrade- based SDS says, among other things, in its statement.

Railroad Tracks Around Knin Said Mined

LD1110152690 Belgrade TANJUG Dometic Service in Serbo-Croatian 1219 GMT 11 OCT 90

[Text] Knin, 1 Oct (TANJUG)—Rail traffic on the Una and Lika rail lines was again brought to a halt today. According to information issued by the Knin train station, traffic was temporarily brought to a halt because tracks between the Srb and Una stations and between the Zrmanja and Malovan on the Zrmanja-Malovan station have been mined.

Only seven goods trains, heading for Split, passed through the Knin junction this morning, as well as two motor trains connected Knin and Srb. It is expected that teams will be sent out shortly to investigate and clear up

the Una and Lika track. The Knin-Zadar line is still not functioning. Trains coming from Zadar have to end their journey in Benkovac.

Croatian Assembly Passes Conversion Legislation

LD0610112490 Belgrade TANJUG Domestic Service in Serbo-Croatian 2211 GMT 5 Oct 90

[Text] Zagreb, 5 Oct (TANJUG)—After 24 hours of work over the past two days, the Assembly of the Republic of Croatia finished its work this evening. Some 60 topics were on the agenda.

Today, on the second day of its session, more than 20 laws of republican importance have been adopted including laws converting forests, roads, mail service, and telecommunications into publicly owned enterprises, including the oil industry. Twelve laws of federal importance and 12 laws falling under the competence of the SFRY Constitution were examined.

Stands on amendments to the SFRY Constitution were made. Only one-fifth proved acceptable to the Assembly.

Democrats' Agani on Events in Kosovo, Croatia

AU1210094590 Skopje FLAKA E VELLAZERIMIT in Albanian 7 Oct 90 pp 1, 4-5

[Blerim Reka and Emin Azemi report: "Federal Government Delegation Arrives in Pristina"]

[Excerpt] [passage omitted] Dr. Ibrahim Rugova, chairman of the Kosovo Democratic Alliance [DSK], was not present at the DSK news conference the day before yesterday (Friday, 5 October), because he is now somewhere in Europe following his journey to the United States. Dr. Fehmi Agani, DSK Presidium member, therefore chaired the news conference.

Professor Agani began by saying that we repeat our demand that the legal organs of Kosovo, the Assembly, the Executive Council, Pristina Radio and Television, RILINDJA, and other institutions suspended by force by the Serbian police should be allowed to start work officially as soon as possible. He then said that we protest the continuing police terror in Kosovo, the persecution of the Kosovo Assembly delegates and members of the Kosovo Executive Council, and the new cases of imprisonment, particularly that of Zenun Celaj, one of the best Kosovo journalists and a worthy fighter for human rights. While welcoming the release from prison of Prof. Dr. Hajrullah Gorani and Dr. Ilir Tolaj, we cannot fail to protest against their detention in prison for about 50 days for no reason at all.

Dismissals Continue

The mass dismissals of Albanians from work are continuing, and have now reached a total of about 30,000, Prof. Agani continued. Bearing in mind the effects of this and the systematic destruction of the Kosovo economy, this trend is assuming the characteristics of genocide against the Albanian population. We strongly protest these measures.

There have also been drastic steps this week, Prof. Agani said: Albanian judges have been dismissed from work en masse, and we join the protests which have been made over their firing. We also protest against the increasing cases of enforced measures against Kosovo organizations and institutions. We particularly protest against the introduction of enforced measures in the Kosovo University Library and the Kosovo Archives, as well as the cases of vandalism when these measures were taken. Professor Agani said that we have received reports that members of the Peony Association are meeting in the University Library and drinking brandy, guarded all the time by the militia.

We also protest against the threats made to schools which are using the legal Kosovo curriculum. Among our protests, we also raise our voice against the persecution of DSK activists and their detention for informative discussions at the Secretariat for Internal Affairs.

Professor Agani then commented on the most recent events in Croatia, which, he said, have been the subject of discussion both within Yugoslavia and abroad. We do not think, he said, that the Serbs in Croatia have any problem which cannot be solved in a democratic fashion. This is first of all in the interests of the Serbs in Croatia themselves. Any problems of the Serbs in Croatia can only become insoluble if they are used as tools in the service of policies which wish to destabilize Croatia and hinder its democratic development, or seek to exert pressure or to discredit Croatia's standpoints, whether on the reconstruction of Yugoslavia or in relation to certain other problems, such as Kosovo. Such manipulation will inevitably do the greatest harm to the Serbs in Croatia. In the development of events in Croatia, Dr. Fehmi Agani said, we are in fact witnessing the performance of a play whose premiere, and now its revival, was staged in Kosovo. For example, we first saw the night guards now being mounted in Serbian communes in Croatia in Prekale [Kosovo village where Serbian volunteer "guards" were introduced in the summer of 1988], where night guards were mounted for the benefit of television cameras without the slightest reason. Nor can we understand the conditions made in the statement of the SFRY Presidency relating to a solution of the problem in Croatia. Where the seizure of weapons from the militia is concerned, we remember that there was an incident in Kosovo in which underage children took militia weapons from a bus which the militia had abandoned, returning them unused after two or three days. They were nevertheless sentenced to betwen seven and 13 years' imprisonment.

Professor Agani said that the SFRY Presidency recently analyzed the security situation in the country. It noted a fresh deterioration of relations within Yugoslavia and took the view that the main reason for this has been the grosser violations every day of the Constitution and

federal laws. The SFRY Presidency insists on a united and principled solution for all the flashpoints of crisis in Yugoslavia, and this, it says, implies a proper respect for the Constitution and the laws. The Presidency then stresses that it possesses the competence to ensure respect for the Constitution and the law. We support such a principled stand, but must observe that not even the SFRY Presidency has distinguished itself for its respect for the Constitution and the law, especially in relation to Kosovo. The SFRY Presidency's support for Serbia's measures in Kosovo is anticonstitutional, and this shows that even the SFRY Presidency itself does not respect the Constitution and is further deepening the crisis in Yugoslavia. [passage omitted]

Serb Renaissance Statement on Elections Boycott

LD1110153490 Belgrade TANJUG Domestic Service in Serbo-Croatian 1201 GMT 11 Oct 90

[Text] Belgrade, 11 Oct (TANJUG)—To take part in coming elections on an unequal footing and without the opportunity to oversee their regularity would be tantamount to the opposition's tolerance of deception and to its support for an unlawful act—the Serbian Renaissance Movement [Srpski Pokret Obnove - SPO] Executive Committee says in a statement issued today.

An SPO Executive Committee session on 10 October considered the decision of the Democratic and the Radical Party not to boycot elections in Serbia set for 9 December. The SPO described the decision as unexpected and politically and nationally ill-conceived.

The SPO Executive Committee warns that "the authorities have remained indifferent to the opposition's demands" and that "there is no guarantee that the elections will be regular." In the light of this, "boycott is the only way to stop the ruling party in its intention to repeat the fixed elections of 1945." The SPO Executive Committee stresses, and goes on to warn that "the democratic opposition bloc has the duty to persevere in its demands and to boycott elections."

The SPO Executive Committee notes the SPO's attitude: Either honorable elections and equal conditions in the elections campaign or boycott and goes on to the "express hope that the leaders of the Radical and the Democratic Party will reconsider their decision and would abandon their move which can otherwise seriously jeopardize democracy in Serbia."

Bosnian Secretary Lifts Ban on Foca Activities

LD1210010890 Belgrade TANJUG Domestic Service in Serbo-Croatian 2013 GMT 11 Oct 90

[Text] Foca, 10 Oct (TANJUG)—Muhamed Besic, republican secretary for internal affairs of the Socialist Republic of Bosnia-Hercegovina, has decided that the ban on and limitation of movement for individuals in certain areas on the territory of the municipality of Foca is no longer in force, the republican Secretariat for Internal Affairs of Bosnia-Hercegovina announced tonight.

The decision to lift this order comes into effect tonight at midnight. The order was issued on 11 September this year to forestall potential clashes on a national basis in the municipality of Foca.

Bosnian Daily Deems Ljubljana Army Action Proper

AU1110125790 Sarajevo OSLOBOĐENJE in Serbo-Croatian 6 Oct 90 p 1

[Emir Habul commentary: "The State Does Exist"]

[Text] The fact that Slovene citizens protested in front of the Republican Territorial Defense Staff yesterday morning, because members of the regular army entered these premises on Thursday night [4 October], represents nothing more than an insignificant excess. There is a much more important and more essential question involved here which concerns relations in Yugoslavia and the sovereignty of Slovenia and which boils down to the following simple formula: The state of Slovenia recognizes Yugoslavia only to the extent it suits it to do so.

The story began, in fact, a long time ago, perhaps in the times of that infamous review devoted to the Slovene national program [referring to NOVA REVIJA periodical which rallied Slovene opposition forces under the communist regime] and had its finale during the last days of September when the republican Assembly promulgated three "military amendments": on army service in the republic; on taking over full control over the personnel, arms, and cadres of the Territorial Defense Force; and on the appointment of the republican Presidency to the post of supreme command during peace. The highest state leadership and commander of the country's Armed Forces according to the Constitution—the SFRY Presidency—reacted in a proper way. Last Tuesday [2 October], the Slovene Territorial Defense Force was put under the command of the Fifth Army District.

There is one more detail that should be mentioned here. Let us remember that a reorganization of army districts was carried out a little more than a year ago. Many our citizens wondered about the reason for that, but now there are no more dilemmas. The former system, according to which the borders of the army districts were identical to the republican borders, was replaced with the strategic system, exactly because of the fear of the possible formation of republican or national armies, or of the united Yugoslav People's Army assuming the dangerous "smell of the regional colors." The ideas of the republican Army Minister, Mr. Jansa, are directed toward creating a republican army (he is talking about figures such as 20,000 soldiers and several thousand professional officers) which in fact means only a small step to creating a national army. In this case, stories

about sovereignty, about being threatened, and about one's own "national weapons" resemble that metaphor about words being like forged money which after some time starts circulating as real.

Does Yugoslavia in the wake of the "Slovene army amendments" and many other things resemble the sick man from Bosphorus breathing with only one-third of his lung capacity? The Slovene Assembly's suspension of about 30 federal laws, including the army ones, in fact represents the act of withdrawing from Yugoslavia's legislative system. However, this complete rejection of the federal state and its laws has not been carried out completely. The SFRY Presidency has proven that this country is still breathing, albeit with difficulty, that the state does exist, and that it is known who is the supreme commander according to the Constitution.

If Yugoslavia had fallen apart at that seams—the army—would one have been able at all to speak about Yugoslavia as existing? For in the times when even the joint anthem is not sung in all parts of Yugoslavia, when republics are designing their own flags, and national states are being created, the army has remained as the last symbolic pillar of Yugoslavia.

Nobody denies there is a need for a new agreement on life together, but it is extremely irresponsible to see Yugoslavia as a supermarket in which everybody will take what he needs. By performing these one-sided acts, the Slovene state is forgetting that this country represents its real and palpable interest. Put more simply, this country is Slovenia's big market. Finally, let us not forget that the world has not recognized Slovene, but rather Yugoslav borders and that this question would certainly come up in the case of secession.

However, this is only a futuristic question. As for now, we know that the state still exists.

President Jovic Due To Address Assembly 17 Oct

AU1110110890 Belgrade BORBA in Serbo-Croatian 10 Oct 90 p 1

[Dj. Kesic report: "Crisis—First on the Agenda"]

[Text] Belgrade—As we have unofficially learned, on 17 October both chambers of the SFRY Assembly will convene a joint session at which Borisav Jovic, president of the SFRY Presidency, will address the delegates about the political-security situation in the country on behalf of the collective head of state. As expected, Dr. Jovic will also speak about the Presidency's initiative for overcoming the constitutional crisis in Yugoslavia, and about the proposed confederal agreement drafted by Croatia and Slovenia.

As expected, on 18 October, the delegates of the Federal Chamber will hold a discussion on the security situation in the country, but whether the Chamber of Republics and Provinces will do the same, remains to be seen. Miran Mejak, president of the Chamber of Republics and Provinces, has asked the heads of appropriate working bodies to meet today at 1700 to decide on this.

As we have unofficially learned, the two chambers of the SFRY Assembly will meet on Friday afternoon, 19 October, and discuss the appointment of a member of the SFRY Presidency from Croatia, Stipe Mesic. Whether the delegates approve his appointment or not, remains to be seen. It is known that in the case of Dr. Stipe Suvar's replacement from and Stipe Mesic's election to the Presidency, the constitutional procedure was not respected. According to the SFRY Constitution, Suvar's replacement from and Mesic's election to the SFRY Presidency were supposed to be discussed by the republics and provinces, which was not done. It is in fact this that has put the delegates in the dilemma as to whether to approve the new member of the SFRY Presidency or not.

It is still uncertain as to whether the delegates of the two chambers of the SFRY Assembly will also be addressed by Ante Markovic, president of the Federal Executive Council. According to the rules of procedure of the SFRY Assembly, the prime minister has the right to do this, especially because the general circumstances point to the need for him to speak. This primarily refers to some problems in the implementation of the program of socioeconomic reforms, difficulties concerning the constitutional amendments, and the demand by the delegates of the Federal Chamber that the Federal Executive Council clarifies its stand on the transitional program for overcoming the crisis in the country. We learned from the cabinet of the federal prime minister, that Ante Markovic will decide on whether or not he will speak in the Federal Assembly at the first session scheduled for Thursday.

FEC Obliges Banks To Sell Foreign Currency

LD1110195290 Belgrade TANJUG Domestic Service in Serbo-Croatian 1654 GMT 11 Oct 90

[Excerpts] Belgrade, 11 Oct (TANJUG)—At today's session of the Federal Executive Council [FEC], presided over be Ante Markovic, a decision was adopted whereby commercial banks are obliged to sell foreign currency to citizens for all purposes without limits on the amount. For the purpose of foreign travel the banks are obliged to sell foreign currency in cash up to the value of 1,000 Deutsche mark [DM] and for amounts above that level to issue checks, letters of credit, and other noncash instruments with which payments can be made abroad.

At the same time, the FEC Secretariat for Information states, a decision was adopted permitting citizens, on every journey abroad, to take out in cash a sum in foreign currency up to the dinar countervalue of DM 1,000. Above this limit, citizens may take with them unlimited amounts of foreign currency in noncash instruments provided they purchase them from a bank or withdraw them from their foreign currency account.

In this connection, the National Bank of Yugoslavia and the Federal Secretariat for Finance were asked in the interests of citizens to ensure the implementation of these regulations at all counters of authorized banks in the country, and to take the appropriate effective measures against those who deprive citizens of this right. [passage omitted]

The FEC also examined economic cooperation with Iran. This country, it was felt, is becoming an increasingly interesting partner for the world and for Yugoslavia, since there are many possible forms of cooperation in the areas of trade, industry, and investment, particularly with regard to energy and water management. Iran is also becoming an increasingly important partner as a long- term supplier of oil.

Out of consideration for cultural-historical and civilizational reasons, the FEC today endorsed the proposal that with the change in the census law, religion should be introduced as another recorded item. The FEC is recognizing that our society has a heterogeneous religious composition and that the collection of data on religious affiliation will contribute to more complete information on contemporary demographic phenomena. Religious affiliation has not been recorded in censuses of the population since 1953.

The FEC accepted the invitation of the Council of Europe and at today's session decided that Yugoslavia should join the international group for cooperation in the struggle against the misuse of and illegal traffic in narcotics, to which the majority of European countries belong.

BORBA Refuses Reform Party Use of Rooms

AU0510200690 Belgrade Domestic Service in Serbo-Croatian 5 Oct 90

[Text] Belgrade members of the Alliance of Reform Forces of Yugoslavia will have to hold their electoral assembly somewhat later than announced. The reason is that immediately before the assembly begun, they were told that they will not be able to use the premises in the BORBA building although they had agreed with the house's management about this in advance. Here is a report by Zorica Pantelic:

[Pantelic] The president of the Initiative Committee of the Belgrade organization of the Alliance of Reform Forces of Yugoslavia, Tomislav Ognjanovic, asked the people present, about 200 of them, to go to the building of the Pedagogical Academy where the Electoral Assembly will be held. Ognjanovic said that the reason for the change is that BORBA workers did not want a political party to hold its meeting in their building. BORBA Director Ivan Mrdjen told Ognjanovic about this at about 1600. The electoral assembly was convened seven days ago and the condition was to pay for the use of the rooms, Ognjanovic said.

In a statement he gave this reporter, Ognjanovic assessed this move as resistance to reforms in the Yugoslav society and to the progressive orientations of the party which advocates a market economy, a rule-of-law state based on a multiparty parliamentary democracy, and human rights and freedoms.

Muslim Bosniak Group To Remain Independent

LD1110171590 Belgrade TANJUG Domestic Service in Serbo-Croatian 1327 GMT 11 Oct 90

[Excerpt] Sarajevo, 10 October (TANJUG)—The Muslim Bosniak Organization [MBO] does not intend to merge with any other party or to bind itself by any agreement. This was said at its first news conference today following the MBO's official registration. [passage omitted]

First Private Newsmagazine To Appear 29 Oct

LD1110134190 Belgrade TANJUG in English 1003 GMT 11 Oct 90

[Text] Belgrade, 11 Oct (TANJUG)—The first issue of Yugoslavia's first private news magazine VREME will appear on October 29.

The idea for the weekly, which will be published on Mondays, was launched by a group of former journalists of the Belgrade weekly NIN.

VREME's editor-in-chief Zoran Jelicic said he did not encounter any problems in registering the weekly. The weekly, conceived as a shareholding company, will be published by a private news-publishing company Sedma Sila of Rijeka, Republic of Croatia. The publishing policy will, however, be entirely independent from its shareholders, Jelicic said.

The new Belgrade weekly will cover events in Yuoslavia and Europe and, as its editor-in-chief points out, it will be open for all opinions without prejudgement.

European Parliament Decree Supports Kovovo Rights

LD1110233490 Belgrade TANJUG in English 1947 GMT 11 Oct 90

[Text] Strasbourg, 11 Oct (TANJUG)—[The] European Parliament decided today to send a delegation to Yugoslavia to gain insight into the situation in Kosovo Province, which has a majority ethnic Albanian population.

As announced at the regular Parliament session, the Yugoslav authorities will be asked to secure "freedom of movement and meeting" to the delegation members.

European Parliament today adopted another resolution on Kosovo, the fourth, in which the authorities of the Republic of Serbia (within which Kosovo has autonomy) are condemned for the poor state of human rights in the province.

The republics of Slovenia and Croatia, meanwhile, are praised for their "solidarity with Kosovo."

Condemning the "violation of civilian rights in Kosovo by the Serbian authorities," European Parliament demands that these authorities "withdraw armed forces" from the province, release all political prisoners, put an end to "torture, murder and arbitrary arrests," return to work the ethnic Albanians dismissed in March 1989, and re-establish the "forcefully suspended" provincial parliament.

Serbian parliament suspended the provincial Assembly in early July after ethnic Albanian deputies illegally adopted a declaration which demands that Kosovo have the status of republic.

European Parliament also asks for guarantees that the forthcoming first postwar multi-party elections in Kosovo and [words indistinct] will be free and democratic.

The declaration calls on the Serbian authorities to open dialogue with "representative forces of the Albanian population in the province," and both sides are asked to "invest major efforts to ease tensions, so that elections can be held in normal atmosphere."

European Parliament has confirmed its readiness to help the Yugoslav Federal Government in its efforts to improve the economic situation in the country and to see the economic and social reforms through. However, the parliament has asked the European Commission "fully to precondition negotiations on a new Yugoslavia-E.C. financial protocol with strict respect for human rights in Kosovo and the articles of the Helsinki final act."

Presidents of the assemblies of the Yugoslav Republics of Croatia and Slovenia, Zarko Domljan and France Bucar, respectively, attended the parliament session as guests.

Bucar Urges Confederation To End Chaos

LD1210080290 Belgrade TANJUG in English 0329 GMT 12 Oct 90

[Text] Strasbourg, Oct 11 (TANJUG)—If the people of Yugoslavia wish to continue to live together this can be only in a confederation. Up until this time, all assistance to Yugoslavia in its present form will lend support to the dictatorship and military (?domination), President of the Assembly of the Yugoslav Republic of Slovenia Dr France Bucar stated in the Palace of Europe in Strasbourg.

Bucar, together with President of the Assembly of the Yugoslav Republic of Croatia Dr Zarko Domljan, set out the orientations of their republics to the delegates of the Christian-Democratic group in the European Parliament.

According to the Solovenian parliament president, Yugoslavia is in chaos and on the brink of a civil war. He believes that the source of the national tensions lies in the very creation of Yugoslavia which never represented the national interests of its members. The way out lies in the pulling down of the present concept and the structures upon which Yugoslavia rests, Bucar said.

Dr Zarko Domljan also considers the confederative system, which Croatia and Slovenia have offered, to be Yugoslavia's only way out of the crisis and also that all responsible political factors will have to seek democratic solutions. He also assessed that the federal government of Yugoslavia was under a blockade and that it was not capable of leading the country out of the crisis.

Slovene U.S. Bureau Opened Without Permission

LD1110210190 Belgrade TANJUG in English 1806 GMT 11 Oct 90

[Text] Belgrade, 11 Oct (TANJUG)—The bureau of the Yugoslav Republic of Slovenia in Washington was opened without agreement with the Federal Secretariat for Foreign Affairs, the secretary's spokesman Ivo Vajgl said today.

Speaking at the regular news conference in Belgrade, Vajgl did not offer a reply to a question whether the (turned down) request of Slovenia to be represented at the November CSCE (Conference on Security and Cooperation in Europe) summit in Paris could be interpreted as an attempt to bypass the federal authorities.

He said the presentation of the Yugoslav delegation, which will be headed by Presidency President Borisav Jovic, was based on a platform adopted by the state Presidency.

Pointing out that the Yugoslav Foreign Secretariat was ready and willing to cooperate in organizing foreign visits by republican officials, Vajgl said such cooperation was impossible if it was not even requested.

In Vajgl's view, the lack of coordination between the federation and the republics in the field of diplomatic activity could have a negative effect on the entire country's credibility as well as on international support to Yugoslavia in the implementation of its current reforms.

Slovenia (which is advocating a confederative organization of Yugoslavia in which the existing republics would be sovereign states) has lately made a number of efforts to appear independently on the international scene.

Under the Yugoslav Constitution, the body in charge of Yugoslavia's foreign policy is the country's Secretariat for Foreign Affairs, which is made up of representatives of all federal units.

Israeli Knesset Chairman To Pay Informal Visit

LD1110221490 Belgrade TANJUG in English 1804 GMT 11 Oct 90

[Text] Belgrade, 11 Oct (TANJUG)—Dov Shilansky, chairman of the Israeli Knesset, will soon make an

informal visit to Yugoslavia, Yugoslav Foreign Secretariat spokesman Ivo Vajgl told Journalists today.

Vajgl said Shilanski was coming at the invitation of the Belgrade Jewish community.

Speaking at the regular news conference in Belgrade, Vajgl said Shilansky would attend the unveiling of a monument to Jewish victims of World War Two in Belgrade, but that he would also be received by several high-ranking Yugoslav figures, including President of the Yugoslav Assembly Slobodan Gligorijevic and Foreign Secretary Budimir Loncar.

Asked about the possibility of the re-establishment of Yugoslav- Israeli relations, which were broken off in 1967 after Israel's occupation of Arab territories, Vajgl repeated official Belgrade's well-known attitude—that "the ties will be re-established when it suits both countries."

Minister Expresses Concern Over Equipment in Iraq

AU1110131290 Belgrade POLITIKA in Serbo-Croatian 5 Oct 90 p 1

[Unattributed TANJUG report: "So far There Is No Danger of our Equipment Being Confiscated in Iraq"]

[Text] Yugoslavia will most probably approach Iraq with a proposal to protect project documents and equipment on Yugoslav construction sites in Iraq, because possible damage to or loss of these could represent yet an additional large and long-term problem for both countries.

Damage to or loss of our equipment would place a question mark over not only the completion of the work in progress, but also the maintenance of those facilities that have already been completed—this was stated by Bozo Jovanovic, deputy federal secretary for foreign economic relations, in a conversation with a TANJUG reporter.

Commenting on the new Iraqi law on the protection of property and interests, which theoretically threatens confiscation of equipment, building material, and property belonging to the country which observe the imposed economic blockade, Jovanovic said that there is not a single case of Iraq causing us such problems.

Our equipment is presently being taken away from the construction sites where the work has already been completed, while the care is taken that the equipment does not disappear from the construction sites where the work is still going on. At the time of the outbreak of the crisis we had about $200 million worth of equipment in Iraq. At present there are about 550 our workers in Iraq, or a total of 600 people.

Proportionate to its size and economic strength, Yugoslavia is the worst affected country by the crisis in the Gulf, considering that it has signed business deals with Iraq worth over $3 billion. In this year alone the impact on the balance of payments will amount to more than $1.3 billion, according to the present price of oil on the free market. The new Iraqi regulations could make the situation more complicated.

Defense Secretary, Army Delegation Go to Romania

LD1010133190 Belgrade TANJUG Domestic Service in Serbo-Croatian 1145 GMT 10 Oct 90

[Text] Belgrade, 10 Oct (TANJUG)—Army General Veljko Kadijevic, federal secretary for national defense, left today at the head of an SFRY Armed Forces delegation for a return visit to (?the Armed Forces) of Romania. During his visit to this neighboring and friendly country General Kadijevic will visit a number of units [passage omitted] forces of Romania and will also have talks with his hosts about inter-army cooperation between Romania and the SFRY.

At Batajnica Airport, the federal secretary for National Defense was seen off by Colonel General Blagoje Adzic, chief of the general staff of the SFRY Armed Forces, and a group of high-ranking officers. Also present was Ion Stanculescu, the Romanian ambassador in Yugoslavia.